

The NATIONAL UNDERWRITER

To National Underwriter readers:

I HOPE, in the course of your busy day, you will find time to read the story of a remarkable institution on whose behalf I am moved to make an appeal to insurance people everywhere.

IT IS TOLD on pages 16 and 17 of this issue.

Sincerely yours,

GEORGE J. STEWART

THURSDAY, SEPTEMBER 27, 1956

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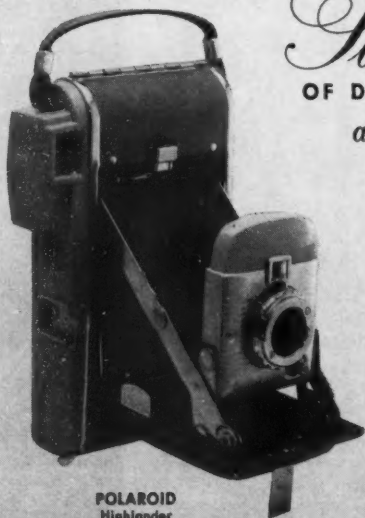
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Formerly Northwestern Mutual Fire Association

NAIA Winds Up Successful 60th Annual Convention

**Ask for UM, Plan Study
of Advertising; Woodbury
Elected Vice-president**

NEW YORK—The 60th annual convention of National Assn. of Insurance Agents wound up with appropriate expressions of sentiment among the participants, notably the official family, and with an energetic intention to do more advertising of the local, independent agent's values and to get the uninsured motorist endorsement added by National Bureau companies—as an alternative to compulsory and to bring the bureau policy into competitive position with that of Allstate.



Robert E. Battles

Louie E. Woodbury Jr. of Wilmington, N. C., moved up to the vice-presidency vacated by Robert E. Battles of Los Angeles when he took over as president from Kenneth Ross of Arkansas City, Kan. Paul H. Jones of Tucson was elected to the executive committee to fill the vacancy created by the expiration of the term of Arthur M. O'Connell of Cincinnati.

The National Board of state directors adopted a motion of Dave R. McKown of Oklahoma City, on the need for the UM endorsement as an alter-

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Highlights of the Week's News

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Chairmen of NAIC Committees for 1956-57 Are Listed

Committee appointments for 1956-57 are being distributed this week by National Assn. of Insurance Commissioners. Following are the zone chairmen and chairmen and vice-chairmen respectively of committees and chairmen of subcommittees of interest to the fire and casualty industry:

Zone chairmen—Zone I, Humphreys of Massachusetts; Zone II, Gillooly of West Virginia; Zone III, Cravey of Georgia; Zone IV, Jensen of North Dakota; Zone V, Taft of Wyoming; Zone VI, Sullivan of Washington.

Executive committee—Saunders of Texas and Leggett of Missouri.

Subcommittee—To study future sites for NAIC meetings, Holz of New York.

Blanks committee—McConnell of California and Davey of Indiana.

Subcommittees—Fire, casualty and reciprocal, Collins of New York; life and accident and health, Bittel of New Jersey; hospital and medical service plans, Berger of Connecticut; title and mortgage guaranty, Gould of New York; assessment life and accident and health, Dubuar of New York; life and accident and health instructions, Bittel of New Jersey; fire, casualty and reciprocal instructions, Bittel of New Jersey.

Preservation of state regulation committee—McConnell of California and Holz of New York.

Accident and health committee—Knowlton of New Hampshire and Sheehan of Minnesota.

Subcommittees—To study reserves for guaranteed renewable A&H policies, Holz of New York; on company reports on individual A&H claim settlements, Davey of Indiana; to study problems incident to cancellation of A&S policies, Gillooly of West Virginia; on state laws governing misleading and deceptive advertising, Pansing of Nebraska; on interpretation of NAIC rules governing advertisement of A&S, Pansing of Nebraska; house confinement provisions in policies of A&S insurance, Beery of Colorado.

Casualty and surety committee—Mahoney of Maine and Hammel of Nevada.

Definition and interpretation of underwriting powers committee—Bisson of Rhode Island and Sheehan of Minnesota.

Examinations committee—Taft of Wyoming and Humphreys of Massachusetts.

Subcommittee—Examinations practice and procedure manual revision, Jackson of Maryland by John H. Coppage.

Federal liaison committee—McConnell of California and Howell of New Jersey.

Flood and hurricane committee—Bisson of Rhode Island and Holz of New York.

Fire and marine committee—Bisson of Rhode Island and Davis of Mississippi.

Insurance covering all installment sales and loans committee—Larson of Florida and Holz of New York.

Interstate co-operation committee—The membership of this special committee will be appointed promptly if matters arise that should receive its attention and consideration.

Laws and legislations committee—Beery of Colorado and McConnell of California.

Subcommittee—To study the advisability of a uniform surplus line law, Knowlton of New Hampshire.

Non-profit hospital and medical service associations or similar organizations committee—Pryatel of Ohio and Davey of Indiana.

Subcommittees—Extended maternity benefits, Jackson of Maryland; the problem of reimbursement formula between hospitals and service associations, Davey of Indiana.

Rates and rating organizations committee—Pansing of Nebraska and Pryatel of Ohio.

Subcommittees—Auto rate credits for safety devices, Larson of Florida; to study statistical rating and filing, Sullivan of Kansas.

Unauthorized insurance committee—Jones of Utah and Beery of Colorado.

Uniform accounting committee—Northington of Tennessee and Howell of New Jersey.

Valuations of securities committee—Humphreys of Massachusetts and Pansing of Nebraska.

Subcommittee—Valuation of securities, Holz of New York.

Workmen's compensation committee—Humphreys of Massachusetts and Larson of Florida.

Subcommittee—Workmen's compensation small policy economies, Smith of Pennsylvania.

Six Kroger Stores in St. Louis Area Selling Insurance

ST. LOUIS—Six St. Louis county stores of the Kroger Co., national grocery chain store, are selling insurance for Manufacturers & Merchants Indemnity of Cincinnati and, in at least one instance, also for Selective of Cincinnati, a wholly-owned fire subsidiary of Manufacturers & Merchants. The Kroger Co. and its executives own half of the 60,000 common shares of Merchants & Manufacturers and all of the preferred stock.

The Missouri department has issued agents licenses to employees of the Kroger Co., one in each of the following stores: 201 South Florissant road, Ferguson; 4312 North Grand boulevard, St. Louis; Highway 21, Concord Village; 7271 Natural Bridge road, Normandy, and 7270 Southwest avenue, Maplewood. At least one of the agents has been licensed for both of the companies.

The rates being charged for auto insurance are somewhat below the rates of bureau companies and the insurance is reportedly sold on a participating basis, with a dividend of 15%.

In answer to an inquiry from THE NATIONAL UNDERWRITER, W. T. Conway, vice-president of Manufacturers & Merchants Indemnity, said:

"In June of this year Manufacturers & Merchants Indemnity Co., financial affiliate of the Kroger Co., established insurance counters in six Kroger supermarkets in the St. Louis area. The counters are manned by qualified insurance agents who are there to sell insurance, obtain leads and give insurance advice as a service to customers. The counter program in the supermarkets supplements the insurance facilities available through the M&M branch office which has been established in St. Louis for many years."

Where Was Locale of NAIA's 60th Convention?

The streamer that appeared in last week's issue over the report of the annual convention of National Assn. of Insurance Agents indicated that the gathering took place in L. A. It was, of course, held in New York, although the length and twists of the corridors in the Waldorf-Astoria gave most convention attendees the notion that it was being conducted in at least two states. Obviously, the headline was set by a California printer.

St. Louis Paper Blasts Illinois Department

**George Barrett's Influence
Comes in for Criticism;
Licensing Practices Scored**

An open discussion of the link between George F. Barrett, former Illinois attorney general, and the Illinois insurance department was carried this week in a series of copyrighted stories in the St. Louis Post-Dispatch. Staff correspondents report that foreign insurers desiring to enter Illinois encountered "interminable delays" in having their applications processed, but if the matter were handled through Mr. Barrett's law firm in Chicago they had "smooth sailing once Barrett received his payment." The paper said commissioners of other states regard Barrett as the "actual, though unofficial" head of the Illinois department.

The first Illinois director under Gov. Stratton was George Barrett's brother Robert. He died in the middle of 1954 and was replaced by Justin McCarthy. George and Robert Barrett and McCarthy all were interested in Prudence Mutual Casualty of Chicago, and this fact was extensively discussed in the Chicago newspapers when Robert Barrett was named director. On the vote for the appointment of Robert Barrett the Democratic members of the legislature called out "present."

In their articles, the Post-Dispatch correspondents deal principally with the information they have been able to extract from company annual statements on file with the department, stating that George Barrett received a total of \$21,205 from eight insurers, most of which were filing applications for admittance. The comment is made that Barrett's fees, ranging up to \$5,000, contrast sharply with attorney charges for the same work in other states.

"Many insurance men declined to tell reporters their experiences with the Illinois department," the Post-Dispatch says, "explaining they feared reprisals."

The first Post-Dispatch article says in part:

"Officers of several firms told reporters they paid Barrett up to \$5,000 for routine legal services which, if needed at all, would cost at most a few

Late News Bulletins...

N. Y. Sets Hearing on N. A. Deviation

Superintendent Holz has scheduled hearings Oct. 17-18 in the New York City office of the department on North America's 10% deviation from the New York Fire Insurance Rating Organization rates on dwelling classes. The hearing was called under the adequacy section of the insurance law.

The issue of adequacy was not previously the subject of a hearing. Previous hearings were confined to whether North America could be a partial subscriber at NYFIRO.

(Other late news on page 32)



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for complete facilities on—

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INLAND MARINE
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THAN ANY SUIT

Just as a diver relies on his suit for protection against the perils of water and pressure, so do businessmen and property owners count on Water Damage insurance to guard their property and to protect themselves financially against liability for damage or destruction caused by water.

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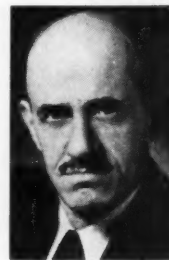
William E. Lersch, Vice-President



REPRESENTING
Lloyds London

E. J. Savage to Retire After 27 Years with Zurich

E. J. Savage, director of agency relations for Zurich, will retire Sept. 30 after 27 years with the companies. His understanding of agency problems and his friendly personality have made him well known and highly regarded throughout the Zurich organization and among agents and state department officials.



E. J. Savage

Mr. Savage has been in insurance since 1919, when he became a partner with his father in the firm of Savage & Savage in New Orleans. In 1928 he went to the Thomas E. Hanlon general agency in Cincinnati as special agent, and in 1929 he joined Zurich in Chicago as special agent. He was made superintendent of agencies in 1932, and in 1950 he became director of agency relations.

A gift of a silver coffee service was presented to Mr. Savage at a farewell luncheon in his honor, attended by the principal executives of Zurich and by a group of his close associates.

For the present, Mr. and Mrs. Savage will make their home in Norwood, La.

N. H. Agents Turn Down New FR Proposal as Compulsory Solution

New Hampshire Assn. of Insurance Agents has turned thumbs down on a proposed financial responsibility law as a method to avoid compulsory auto insurance and has voted to neither favor nor oppose compulsory in the state.

William S. Green, counsel for the association disputed the claim of Ralph V. Gould, director of the state motor vehicle department that the problem of the financially irresponsible motorist would be solved if any operator involved in an accident were required to produce FR evidence either at the scene or within 24 hours or face a \$100 fine, 30 days in jail or both. The proposal, made at the agents' annual convention in Crawford Notch, would place the FR fines in a security fund from which unsatisfied judgment claims could be paid.

Mr. Green said that insurance companies now offer all types of coverage for any motorist who wishes to buy it, including policies UM endorsements.

The association in voting not to commit itself on the question decided, in the event the legislature insists on compulsory, to ask that it be allowed to write the law to avoid the pitfalls.

Tallman to Address N. J. Group

Ralph Tallman, chief auto underwriter of Aetna Casualty, will speak on the new family auto policy at the Sept. 24 meeting of Camden-Gloucester County (N.J.) Insurance Agents Assn. at Camden.

The Buffalo, N. Y., agency of Worthington, Sill & Morgan has moved from its former offices in the Chamber of Commerce building into new quarters with E. T. Clauss & Co. in the Morgan building. The two agencies will be associated through their executives.

HUMPHREY TO COAST

Hindley to Retire as Vice-President of National Fire

E. R. Hindley, vice-president and manager of National of Hartford's Pacific department, will retire Oct. 1 after 33 years with the company. Elmer E. Humphrey, assistant manager of the western department at Chicago, will succeed him as manager on the west coast.

Mr. Hindley started with the company as a field man in western Pennsylvania. Later he was named general agent in charge of the New York metropolitan office. He transferred to San Francisco in 1939 and became manager of the Pacific department in 1944. He was elected vice-president in 1949.

Mr. Humphrey joined the company in 1939 and was named inland marine special agent at Chicago in 1944. He became assistant superintendent of inland marine in 1947, agency superintendent in 1950 and assistant manager of the western department in 1954.

Fire Losses Increase 5.4% in August, 9.7% in First 8 Months

Fire losses in the U. S. during August totaled \$74,930,000, an increase of 5.4% over August, 1955, according to National Board.

The current figure represents a 9% increase over losses last month. Losses for the first eight months now total \$661,085,000, a 9.7% increase over the first eight months' figures of 1955.

Month	1956	1955	1954
January	\$ 96,972,000	\$ 75,265,000	\$ 86,493,000
February	84,041,000	85,046,000	78,928,000
March	89,315,000	88,197,000	84,821,000
April	84,624,000	78,632,000	77,933,000
May	87,681,000	71,789,000	62,282,000
June	74,770,000	70,828,000	65,533,000
July	68,752,000	61,614,000	69,532,000
August	74,930,000	71,103,000	78,165,000
TOTAL	\$661,085,000	\$602,474,000	\$603,685,000

AMA Schedules Fall Insurance Parley for Chicago Nov. 14-16

Talks on the ocean marine problem with reference to the Andrea Doria disaster and on the new federal flood insurance act will highlight the fall insurance conference of American Management Assn. at Palmer House, Chicago Nov. 14-16.

Other talks will be on modern concepts of travel accident insurance, organization problems of risk management, proper limits for fidelity bonds, hold harmless agreements, business interruption and the trend toward all risk coverage.

Meistrell to Discuss Flood Program Details

Frank Meistrell, deputy administrator of Housing & Home Finance Agency, who is handling the organizational details of the federal flood indemnity program, will address U. S. Chamber of Commerce insurance committee on the flood program Oct. 1 in Washington, D. C.

Fisher Named at Detroit

Howard C. Fisher has been named claim manager at Detroit for Continental Casualty. He has been in claims work since 1923, in 1955 joining Continental at the home office, where he has been a division supervisor.

Mutual Company Leaders Confer on Ways to Increase Their Share of the Business

By CHARLES L. MANNING

Speakers at the sales and agency meeting of Conference of Mutual Casualty Companies at Chicago discussed but did not try to resolve the major difference among member companies—how to market their product. Some 300 representatives of agency writing mutuals, direct writing mutuals and mutuals that use variations of the two distribution systems, attended the two-day meeting.

The program, under the supervision of Chairman M. J. Wilkinson of Employers Mutual Casualty of Des Moines, included no scheduled luncheons or social events.

Irving J. Maurer, treasurer of Farmers Mutual Auto of Madison, conference president, opened the session by pointing out how difficult it was to arrange a program, due to "lack of commonality among conference companies in their sales and agency philosophies." He urged audience participation to augment an exchange of ideas.

A discussion of market research and how it could be used to solve some of the industry's problems was presented by H. P. Dickerson, marketing research director of Nationwide Mutual.

"As competition for the consumer dollar tightens," he said, "the industry may find that it will have to participate in cooperatively sponsored research rather than intra-industry competition if it is to retain its share of the consumer dollar."

Mr. Dickerson was especially critical of the industry's approach to the youthful driver problem. "It is but one of the many areas where companies could productively benefit from cooperative explorations," he said. "Can't we find some better way of solving his and our problem than by turning our back to him or pushing him toward the concept of government insurance by insisting that rate-wise he stand on his own feet. We do not treat youth that way in any other segment of our society. Remember that he is the policyholder of tomorrow only if he chooses to be."

He said it is the responsibility of marketing research staffs to determine problem areas, gather the facts pertaining to them, interpret the facts correctly to management and participate in the development of creative marketing strategy.

Mr. Dickerson outlined the uses of marketing research on a company level but emphasized the need for research in the industry on both institutional and company levels to find answers to industry-wide problems:

"What really motivates the customer in the selection of a type of insurer—price, coverage, service, personality of the agent, repetition of advertising, or what?" he asked. "What motivates agents to get the application—desire to be of service, compensation, status, a mixture of all of them, and if so is there any general pattern? Do we have enough evidence to support the contention that either individuals or groups are accident prone or is what we call proneness actually exposure?"

He concluded that marketing research cannot possibly be of value unless its findings are permitted to alter or temper company decisions or the speed and effort of company operations.

"Recruiting new agents is a selling job and like any other sale is never truly successful unless both the buyer and the seller benefit," according to A. Lynn Minzey, vice-president of Auto-Owners. He said recruiting programs would be influenced by sales programs of companies and that his

remarks, therefore, would be more applicable to companies that operate under the agency system.

Prospects fall into two categories—those who do not now operate their own agency and those who do. The first category can further be divided into those who have no connection whatever with the insurance business and those who are associated with insurance in one capacity or another.

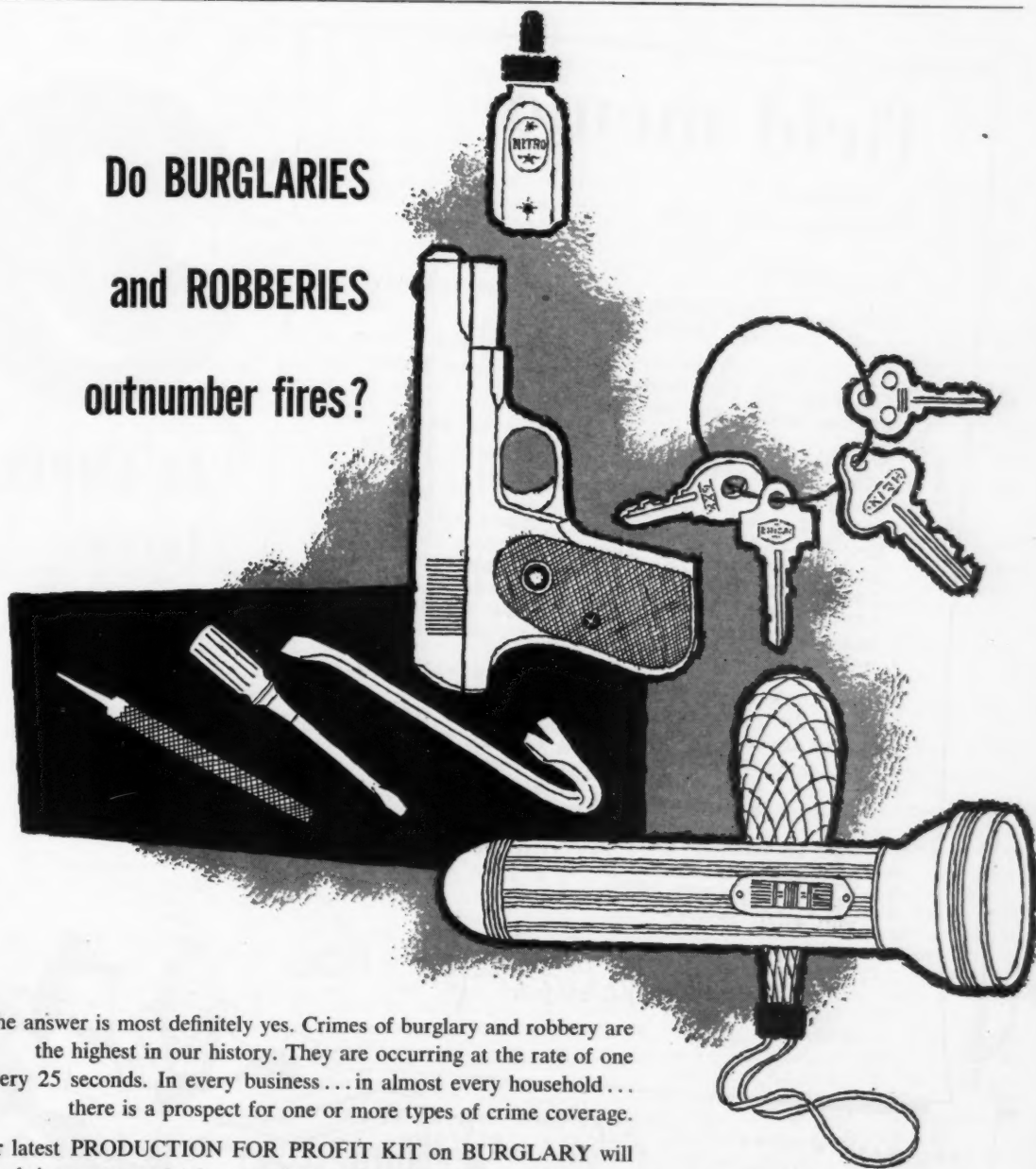
In recruiting the first group, he said, there is a two-fold selling job. The prospect must be convinced that

it is wise to start his own agency and that the agency contract being offered to him will help him in building up an agency. "The other group of prospects must be convinced that they should take on your agency contract, along with the other companies they represent," he said.

Mr. Minzey termed recruiting and developing new agents the most difficult responsibility facing the special agent. He said the best way to find prospects among the group which is in no way connected with insurance

(CONTINUED ON PAGE 26)

Do BURGLARIES and ROBBERIES outnumber fires?



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Stockholders of American OK Merger With Amer. Auto

Stockholders of American of Newark have approved steps for integrating operations with American Automobile.

The stockholders voted about 78% of outstanding shares in approval of

two proposals. The first specifies that American will issue not in excess of 1,750,000 shares of its authorized but unissued capital stock of \$2.50 par value on a share for share basis in exchange for stock of American Automobile on acceptance of the exchange offer by holders of at least 80% of the shares of the latter. The proposal also authorizes American to issue 400,000 shares of authorized but unissued capital stock of the company as a 20% stock dividend, payable to stockholders of record on a date prior to comple-

tion of the exchange offer, but subject to acceptance of at least 80% of American Automobile's stockholders.

The other proposal increases American's directors from 20 to 26.

In a separate action American's board declared a special cash dividend of 20 cents per share on two million outstanding shares payable to stockholders of record Oct. 15. The dividend will be paid only if the exchange offer with the American Automobile is accepted.

Study Effects of Flossy, May Cost Several Millions

Hurricane Flossy, which hit the gulf coast east of New Orleans and swept inland in northwestern Florida, is expected to cost the insurers several millions of dollars in marine, automobile and building and contents losses. However, at midweek it appeared that land losses were scattered over so wide an area that a catastrophe number might not be set up by National Board. These numbers go on when there is \$1 million or more of insured damage in one state or smaller area.

The hurricane, with winds of 100 miles per hour, struck the mainland near Fort Walton, between Panama City and Pensacola, in the section of Florida south of Alabama and was expiring as it moved northeast and along the coast eastward high. At New Orleans tides, heavy wind and rain caused widespread damage.

Several tugs out of Mobile and New Orleans were missing or were reported sunk, but the big dollar damage for the insurers may be offshore oil drilling equipment, tenders, rigs, etc. Damage to pleasure craft was heavy. As the top winds hit land in Florida the resulting sand storm is reported to have damaged a good many automobiles.

National Board alerted adjusters in the south to be available, and it put its catastrophe loss procedure into effect before the storm struck. Donald B. Sherwood, assistant general manager of the board, B. P. L. Carden, general adjuster, and his assistant, W. V. Slevin, were in the south at midweek making a personal assessment of the situation.

Educational Clinic at Sheridan, Wyo., Oct. 5-6

SHERIDAN, WYO.—Mariner's Club of Denver and Sheridan Assn. of Insurance Agents are sponsoring an insurance clinic at the Crescent Hotel here Oct. 5 and 6.

The speakers, all of Denver, and their subjects, will be: E. F. Reid, assistant manager American of Newark, fire; Gerald Shea, special agent Employers, casualty; Ed Barrows, special agent Glens Falls, homeowners policies; Leonard Stebbins, Cobb & Stebbins general agency, automobile; D. A. Stone, vice-president Gates, Stone & Co., bonds; J. F. Mills, president Colorado Claims Service, claims, and C. J. Hooker, state agent Appleton & Cox, marine.

field memo

AG-EMPIRE
Watertown, New York

Dear Folks:

Here's a story from our agent and friend, W. T. Corwin, Texas:

"One winter (February) day, Bill Reed, our 'Ag-Empire' fieldman came into town full of vim and vigor as usual.

"'Bill,' I said, 'It's too hot to work. (The thermometer read 90-plus here in the Lower Rio Grande Valley of Texas.) Let's take it easy. We'll drive out and see Mr. Jones about a General Comprehensive Liability Policy. (Mr. Jones has quite a few irons in the fire ... he operates two truck agencies, does a little ranching, builds houses -- and right now is building a Motel. On the side he rents houses.)'

"It took us 3 hours to catch up with the busy Mr. Jones. We talked him into leaving his truck by the roadside and letting us chauffeur him to his projects. 3 hours and 30 miles later, we had the necessary information -- and the order!

"As we caught up on our combination lunch and supper, Bill said, 'Let me know when it's cool down here. I'd like to watch you when you really work.'"

The "Ag-Empire" Man

AD AWARD WINNER

"Ag-Empire" Agents' Ad-Idea Contest Based on a true story by W. T. Corwin, W. T. Corwin Agency, Harlingen, Texas

P.S.

Our thanks to you, Mr. W. T. Corwin, our old insurance hand from the Rio Grande, and to Bill Reed, who again demonstrated that "Ag-Empire" fieldmen go out of their way to help agents.

Like to learn more about how "Ag-Empire" works with and for agents? We're easy to write to.

Agricultural
Insurance Company,
of Watertown, N.Y.

Friendly
Folks

Empire State
Insurance Company,
of Watertown, N.Y.



"AG-EMPIRE"
Texans
Round up
a
Client...



UNDERWRITERS

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Casualty	Ind.	500.
Casualty	Ala.	500.
Cas. Undtg. Mgr.	Texas	600.
Cas. Undtr.	N. Y.	500.
Auto.	Neb.	500.
Fire & Cas.	Mich.	550.
Fire	Cal.	600.
Fire	Mich.	500.
Fire	Ill.	500.
Fire & Cas.	Texas	450.
I. Marine	Mass.	500.
I. Marine	N. Y.	625.
I. Marine	Penna.	600.
I. Marine	Cal.	600.

Employer pays fees on some of these positions.

Of course, all inquiries are confidential.

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Western Adjustment Promotes Nine in Head Office Change

Western Adjustment has reorganized its head office in order to conform to the continued growth of the organization and the additional administrative burdens resulting from increased service requirements of its patron companies. Western has made several promotions and appointments in connection with the reorganization.

W. R. Luehring has been named assistant general manager of specialty losses, which includes inland marine, casualty, automobile and catastrophe operations.

J. L. Sybrandt Jr. has been named assistant general manager of controlled losses, which includes railroad, controlled, salvage and subrogation operations.

M. W. Whitelaw has been named assistant general manager of personnel, education and research.

L. W. Hopper has been named assistant treasurer, which includes legal, leases and purchasing operations.

G. R. Walroth has been named controller, which includes financial and head office operations.

In other appointments, F. J. Welsh has been named general adjuster with field supervisory duties, L. J. Tuttle has been named assistant to the treasurer, Robert Johnson has been named manager of the personnel department and D. I. Bierie has been named assistant controller.

Mr. Luehring joined Western in 1934 at the head office, was transferred to Fond du Lac, Wis., as a staff adjuster in 1938, and then to Peoria, Ill., in 1940. He was named manager at Galesburg, Ill., in 1947, general adjuster at the head office in 1951 and executive supervisor there in 1952.

Mr. Sybrandt was with Western in various Chicago branch offices from 1938 until 1947 when he was named manager at St. Louis. He returned to Chicago as general adjuster in 1950 and was named executive general adjuster in 1951.

Mr. Whitelaw joined the company in 1937 as a staff adjuster at Parsons, Kan., was named resident adjuster at Dodge City, Kan., in 1943 and manager at Wichita in 1944. He was named regional supervisor for Kansas in 1947 and executive supervisor at the head office in 1950.

Mr. Hopper joined Western in 1937 and was appointed superintendent of the salvage and subrogation department in 1945. He has also been handling legal matter and branch leasing arrangements.

Mr. Walroth joined the company in 1952 and has served as an executive assistant in the accounting, IBM and fee and reporting departments.

Mr. Welsh began his career with Western at Lincoln, Neb., in 1946, was named assistant manager at Omaha in 1953 and head office storm supervisor in 1955.

Mr. Tuttle joined the firm in 1942 as cashier and was appointed comptroller in 1946. His present appointment separates the treasurer and accounting functions.

Mr. Johnson joined Western in 1950 as a staff adjuster at Galesburg, Ill., and was named personnel assistant at the head office in 1954.

Mr. Bierie joined the company in 1947, was promoted to assistant cashier in 1949 and chief accountant and assistant cashier in 1952.

American Surety Names Four V-Ps, Advances Five Others

American Surety has promoted Earl H. Schier, manager at Cincinnati since 1923, to resident vice-president, and Lawrence E. Dangelmeier, assistant manager since 1951, to branch manager there. Mr. Schier recently marked his 50th anniversary with the company, while Mr. Dangelmeier joined it in 1929.

George E. Schreck, manager at Hartford since 1934, has been promoted to resident vice-president, and Wilkes D. Perkins, assistant manager since 1953, has been advanced to manager there. Mr. Schreck observed his 40th anniversary with the company this year. Mr. Perkins joined the company in 1937.

W. Robert Evans, manager at Kansas City since 1923, was appointed resident vice-president, and J. Winfred Roleke, assistant manager since 1929, was promoted to manager. Mr. Evans has been with the company since 1919, Mr. Roleke joined it in 1924.

Paul N. Cherry, manager at Washington, D. C., since 1941, was appointed resident vice-president, and William A. Boysen, assistant manager at Syracuse since 1949, has been transferred to Washington as manager. Mr. Cherry marked his 45th anniversary with the company this year. Mr. Boysen joined the company in 1930. Roy V. Williams has been appointed assistant manager at Washington. With the company since 1947, he has been superintendent of casualty there since 1952.

L. Bert Nye, attorney-in-charge of American Surety's mail route department in Washington since 1941, will retire on Oct. 1 after 56 years with the company. This department will become an integral unit of the Washington branch.

Orders Landwehr Bond Forfeited in Contempt Case at Indianapolis

Judge Niblack of Indianapolis has ordered forfeiture of the \$5,000 bond of William B. Landwehr, owner of Midwest of Indianapolis, for failure to show up at a hearing last week on a contempt citation.

The contempt citation grew out of Landwehr's attempts to take over the home office building by force last May after a receiver had been appointed for Midwest. He is also under contempt for repeatedly ignoring the judge's order to make an accounting of the firm's assets and liabilities. It is believed the \$5,000 will ultimately go to the receiver for the company.

In his absence, Landwehr's attorneys said they had encountered "technical delays" in their efforts to turn the company's home office building, Landwehr's Cadillac and the company's charter over to the receiver. They had offered these assets at an earlier hearing but were granted a two week continuance in order to complete the transaction.

The receiver, William A. Boyce, reported receipts of only \$2,943 realized from the sale of the company's furniture and fixtures. He estimates claims of about \$350,000 against the company.

One more development in the entangled story was the Indiana supreme court ruling supporting Judge Niblack's appointment of a receiver without notice. The Indiana department had first filed a receivership action, which was pending at the time Judge Niblack made his temporary appointment. However, the department withdrew its action after the receivership appointment had been made by Judge Niblack.

In regard to the offer of the Cadillac, the receiver pointed out that the acquisition of the car last February was listed on the company's books as a \$6,300 expense, charged off to "claims."

WAB Reports on Fire Prevention Activities of 1955

Town inspections conducted under the auspices of the fire prevention department of Western Actuarial Bureau since 1921 passed the 2,500 mark last year, the annual report of the state fire prevention associations in WAB territory shows.

Richard E. Vernor, manager of the WAB fire prevention department, notes that 88 town inspections were held last year by the 19 state fire prevention associations in the midwest. The field-men participating inspected 15,792 properties, made 44,774 recommendations and made fire prevention talks to a total audience of 124,903.

Ohio led in the number of inspections with 12, followed by Michigan with 9, Illinois with 8, Indiana with 7 and Missouri with 6. Michigan took top honors in number of risks inspected, number criticized and total recommendations. The Michigan association inspected 2,094 risks, followed by Indiana with 1,840, Ohio with 1,624, Illinois with 1,291 and Arkansas with 1,144. A total of 1,669 risks were criticized in Michigan, 1,398 in Ohio, 1,386 in Indiana, 1,027 in Illinois and 956 in Arkansas. In total recommendations, Michigan had 5,757, Ohio 5,411, Indiana 4,400, Illinois 3,883, and Arkansas 2,963.

In talks at town inspections, Michigan field men addressed 64 student audiences totalling 17,084, Ohio 46 for 13,177, Arkansas 43 for 9,950, Indiana 39 for 9,680, and Illinois 36 for 10,915. Minnesota took second place in total student audience with 15,800 in 32 talks.

In addresses to adult audiences, Ohio had 10 for a total of 1,426, Arkansas 9 for 417, Michigan 9 for 1,182, Tennessee 9 for 348, and Indiana 7 for 814.

Over and above the 124,903 persons hearing talks at town inspections, another 131,071 heard addresses during Fire Prevention Week. The fire prevention staff of WAB made an additional 50 talks to more than 20,000 people, not including an estimated audience of 110,000 who heard an address by Emmett T. Cox, senior field officer, at the annual farm progress show of radio station WLS.

During Fire Prevention Week, members of state associations and the WAB staff made 50 radio and 15 television appearances, and the staff made another 22 radio and 17 television appearances throughout the year.

A total audience of 49,000 saw 504 showings of fire prevention films. These were made at 122 locations in 22 states.

The inter-chamber national fire safety contest of the U. S. Chamber of Commerce, was given additional stimulus last year through a reorganization of the contest committee, and there was a 33½% increase in the number of entries. Mr. Vernor is national chairman of this activity, and in his midwestern territory he produced 51% of the total entries and 42% of the winning and honor cities.

John E. Broderick has been named staff adjuster for Fire Association at Los Angeles. He has been in the adjusting field for six years.

Industrial Indemnity has opened a claims office at Long Beach, Cal., with Robert Cornelius in charge.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co.
135 S. LaSalle St., Chicago, Sept. 25, 1956

	Bid	Asked
Aetna Casualty	121	123
Aetna Fire	60	62
Aetna Life	164	168
Agricultural	30½	31½
American Equitable	33½	34½
American Auto	23½	24½
American, (N.J.)	28½	29
American Motorists	12½	13½
American Surety	18½	19½
Boston	32½	33½
Camden Fire	24½	25½
Continental Casualty	84	86
Crum & Forster com.	61	64
Federal	35	36
Fire Association	44½	45½
Fireman's Fund	52	53½
Firemen's, (N.J.)	24½	25½
General Reinsurance	41½	42½
Glens Falls	67	69
Globe & Republic	18	19
Great American Fire	33½	34½
Hartford Fire	135	137
Hanover Fire	40	41½
Home (N.Y.)	41½	42½
Ins. Co. of No. America	97	99
Maryland Casualty	31½	32½
Mass. Bonding	30	31½
National Casualty	55	Bid
National Fire	97	100
National Union	38	39
New Amsterdam Cas.	44½	46
New Hampshire	37½	39
North River	31	32½
Ohio Casualty	23½	24½
Phoenix Conn.	69	71
Prov. Wash.	19½	20½
St. Paul F.&M.	48	49
Security, Conn.	32	34
Springfield F.&M.	48	49½
Standard Accident	50½	51½
Travelers	64	65
U.S.F.&G.	58	60
U.S. Fire	20½	21½

Braves Complicate Plans for Wis. Agents Meeting

Wisconsin Assn. of Insurance Agents will hold its annual meeting in Milwaukee, Oct. 1-3, whether the Milwaukee Braves win the National league pennant or not, according to Paul H. Mast, executive secretary. Should the Braves win the pennant the first two games of the world series would be played at Milwaukee's county stadium on Oct. 3 and 4 and hotel space will be at a premium before that time.

The association's convention is scheduled for the Schroeder hotel, which has guaranteed that meeting rooms will be available. Mr. Mast said the hotel has also guaranteed room reservations which have already been confirmed.

Some registrants and company men, however, have been placed in nearby hotels. Because of the strong chance that the Braves will win, some registrants may have been turned down by the Schroeder hotel, according to Mr. Mast. The hotel has been asked to refer all requests for reservations which they can not handle to Mr. Mast, who has asked that any one having difficulty obtaining hotel room contact him directly at the Schroeder after Sept. 28.

Mr. Mast has made arrangements for TV reception of the first series game as the last feature of the Wisconsin association's program.

H. J. Coleman Resigns

H. J. Coleman, manager at San Francisco for Continental Casualty, and with the company for 27 years, has resigned. He has not announced his future plans.

N. J. AGENTS ANNUAL

Advertising, Small or Large, Key to Modern Marketing

Consistent, planned advertising, even for the smallest agent, is important and necessary in today's streamlined selling market, a panel of advertising and public relation specialists agreed at the annual convention of New Jersey Assn. of Insurance Agents in Atlantic City.

The New Jersey association is putting more emphasis on advertising and public relations than on any other feature in its current program. It has retained John S. Edwards of Hackensack as special PR counsellor and has held many PR and advertising sessions and clinics on the county association level throughout the year. It is currently vying for the top NAIA award for the best PR program conducted by a state association.

The panel was composed of Mr. Edwards, moderator, F. Barry Farquhar

of station WMTR in Morristown, Leonard Goldblatt of Bergen Evening Record of Hackensack and Louis Peck, president of Merit Mailers of Newark.

Mr. Farquhar pointed out that radio is the most powerful medium of mass communication ever developed. There are more than 125 million of them in use with 2,732 commercial AM stations operating, 23 of them in New Jersey.

In mapping a radio advertising program, he pointed out that spot announcements are the best buy. In preparing copy he said that repetition and not quantity, the use of special sound effects and jingles, the tendency to undersell, and the effort to be personal and positive are the most effective methods of getting the message across. He urged agents to coordinate their efforts and not to use the various media as if each were representing a different business.

Mr. Peck enumerated eight rules for a successful direct mail campaign: 1) Have a good product; 2) establish a reputable name; 3) have a suitable enclosure; 4) write a good sales letter; 5) mail to a qualified, tested list of clients or prospects; 7) plan mailing

Ohio 1752 Club to Hold Six Regional Meetings

Ohio 1752 Club will hold a series of educational clinics throughout the state Nov. 13 and 14. Topics for discussion are the new family auto policy, legislation and miscellaneous casualty lines.

Meetings have been scheduled for Nov. 13 at Barberton under the direction of Harold McGuigan; at Cincinnati under the direction of Robert Kerr, and at Toledo under the supervision of Wynn Mower of Ohio Hardware Mutual.

Meetings scheduled for Nov. 14 and their moderators are: Youngstown, Russ Davis Jr. of Lumbermens Mutual; Columbus, Joe Smith of Central Mutual of Van Wert, and Dayton, W. A. Haase of Worcester Mutual.

in advance, and 8) use a competent direct mail service organization.

Mr. Goldblatt, in observing the direct writers' growing influence in the local agency business, declared that old line agents have allowed too many people to become unsold on the value of the services offered by the local agent. He said a great measure of direct writers' success has come

Wolverine Holds Claim and Underwriting Parley

Field underwriting and claim personnel of Wolverine of Battle Creek met at Edwardsburg, Mich., recently to review claim practices and hear discussions of new policies.

It was announced at the meeting that James Blackburn has been named fire claim supervisor at the home office, and that Ralph McAvoy has been transferred from Des Moines to Detroit as branch claim manager, William Moore has been transferred to the Gaylord, Mich., service office and Darwin Eubank has been transferred from the material loss department to the home office. Mr. Blackburn has been with Underwriters Adjusting at Bay City.

through newspaper advertising. The newspaper ad, he said, can talk to eight out of ten families in an agent's home town while he is talking personally to one prospect. He said people buy the cheaper product either because they can't afford anything more expensive or because they are not convinced that the additional cost of another product is worth more money.

While continuing to make personal contacts, the agent should enlarge his area of operation to reach all possible prospects through his own advertising, the only way he can compete with direct writers' advantage of local company advertising, he stated.

National advertising is not the entire answer, he said, because people do not closely associate their agent with an insurance ad in a national medium. Not many clients ask for a specific company, he observed.

Mr. Goldblatt urged agents to set up a definite advertising budget, to tie in sales activities with the newspaper program and to stress service.

Meritplan Elects Two Officers, Names Field Men

William H. Erwin has been elected executive vice-president of Meritplan of Los Angeles, and Robert J. Webb has been named treasurer. Meritplan is one of the companies in the Pacific Employers group. Mr. Erwin has been secretary and treasurer of Meritplan since it was organized. He will continue as secretary. Mr. Webb was with the California department and more recently with Olympic of Los Angeles and in the accounting department of Prudential at Los Angeles. He is a past president of Insurance Accounting & Statistical Assn.

M. A. Romineck and Harry P. Raynes have been named special agents for Meritplan in southern California. Mr. Romineck for nine years has been a casualty underwriter with Lumbermens Mutual Casualty, and Mr. Raynes has been with Automobile Club of Southern California.

Fireman's Fund Gives Yarbrough New Field

Herbert A. Yarbrough Jr. has been transferred as special agent by Fireman's Fund from southeast Georgia to the company's metropolitan Georgia field.

He joined the company in its Texas division office and later went to Atlanta departmental office and southeast Texas field.

Delaware, Maryland and District of Columbia Field Club will meet Sept. 28 at Marling house, 20 East Fayette street, Baltimore, to make final arrangements for the Westminster, Md., town inspection.

PEPPY FREDDY, the fieldman, says:



WESTERN SURETY COMPANY

One of America's Oldest Bonding Companies

39 South LaSalle Building
Chicago 3, Illinois

1714 Cedar Springs at Akard
Dallas 2, Texas

Sioux Falls
South Dakota

102 East 9th Street
Kansas City, 6, Mo.

Rates Revised on Commercial Cars and Garage Risks

National Bureau of Casualty Underwriters has revised automobile liability rates for commercial cars and for division 1 garage risks with policies written on a payroll basis, effective Sept. 26.

Commercial car rates are reduced on the average in Arizona, Georgia, Idaho, Maine, Minnesota, Montana, South Carolina, South Dakota, Vermont, Wyoming and Alaska and increased in California, Delaware, Missouri, New Mexico, North Dakota and the District of Columbia.

Garage rates are increased in Arizona, Delaware, Georgia, Maine, Minnesota, New Hampshire, New Mexico, South Carolina, South Dakota, Vermont and District of Columbia and reduced in California, Missouri and Montana.

The companies have experienced adverse underwriting results on garage business in most states, the bureau stated, and even the increase in wages for garage employees in recent years has not provided much help in offsetting the increased cost of settling claims as all employees are rated on a fixed minimum payroll basis. Class (B) employees, such as proprietors, partners, officers, salesmen, managers and chauffeurs, are each rated at a flat \$2,000 of payroll, and class (A), clerical office employees, and class (C), all other employees, are subject to a weekly payroll maximum of \$100.

Mutual Insurance Rating Bureau has increased division 1 garage liability rates in New Hampshire 13.5%, effective Sept. 26.

Mutual Rating Bureau Hikes Mich. Auto Rates

Mutual Insurance Rating Bureau has revised private passenger automobile liability rates in Michigan effective Sept. 19. The result will be an average increase of 13.6%, of which 15% is BI and 12.5% PDL.

Class 1A, individually owned automobiles not used in business or for driving to and from work and with no male operator under 25, gets a rate increase from \$1 to \$5 in the different territories; class 3, individually owned cars used in business with no under 25 drivers, is reduced \$2 in one territory, unchanged in two others and increased from \$1 to \$5 in the rest. Under age 25 drivers, unmarried, have been substantially increased in all territories, from \$12 to \$37, and increases from \$4 to \$14 have been introduced for automobiles operated by young men under 25 who are neither owners nor principal operators and for automobiles owned or operated by married men under 25. Farmers will continue to receive a 20% discount.

Automobile Rates Revised in Miss.

National Bureau of Casualty Underwriters and Mutual Insurance Rating Bureau have revised private passenger auto liability rates in Mississippi, effective Sept. 26.

National Bureau reduced rates from \$3 to \$10 in Harrison, Jackson and Hancock counties in Mississippi and increased rates from \$2 to \$13 elsewhere, including increases of \$5 to \$13 in Vicksburg and Meridian, \$2 to \$9 in Jackson, \$3 to \$7 in the eastern

counties and \$4 to \$12 in the western counties.

The mutual increases in Mississippi average 7.3%, with a \$1 reduction in class 1A rates, a \$3 reduction in class 3 rates and a \$5 reduction in class 2C rates in Hancock, Harrison and Jackson counties. All other areas are increased \$2 to \$16 in all classes.

The Columbia, S.C., agency of David G. Ellison & Co. has started construction on a new \$75,000 two story office at 221 Washington street. It is expected to be completed by next spring.

New North America Ad Campaign to Hit 26 Million Families

North America will launch another extensive advertising campaign during October in newspapers and TV to help agents sell homeowners and tenants package policies.

More than 925 daily, weekly and Sunday papers in 793 cities and towns across 42 states will spread the company's message to an estimated 26 million families. The company has again

bought time on NBC's "Today" program starring Dave Garroway. A total of 97 TV stations will be used. The company is urging its 20,000 agents to use small tie-in advertisements to go along with the newspaper campaign. A similar program last spring helped increase agents' sales 40% over the 1955 figures.

Ray Beck, former Wisconsin state agent of Employers Liability group, has joined the Ray P. Hiller Co. agency of Milwaukee as manager of the fire and marine division.

a man and his Millions...



THE MAN: The Hartford Fire Insurance Company agent who in communities from coast to coast will, during Fire Prevention Week (October 7-13) sponsor our Junior Fire Marshal Campaign.

THE MILLIONS: Youngsters in the primary grades who, thanks to their Hartford Fire agent, will receive a year-round fire prevention education through Junior Fire Marshal magazines, films, comic strips . . . Teachers, fire chiefs, civic officials, all of whom welcome this valuable assistance.

THE REWARDS: Junior Fire Marshal Helmets and badges for the youngsters. Achievement banners for co-operating schools. Millions of safer homes. And for the Hartford Fire agent, the satisfaction of a job well done plus the gratitude of neighbors who recognize in his efforts the insurance agent's traditional concern for the well being of his community.

Year in and year out you'll do well with the **Hartford**

Hartford Fire Insurance Company
Hartford Accident and Indemnity Company
Hartford Live Stock Insurance Company
Citizens Insurance Company of New Jersey . . .
New York Underwriters Insurance Company . . .
Northwestern Fire & Marine Insurance Company
Twin City Fire Insurance Company . . .

Hartford 15, Connecticut
New York 38, New York
Minneapolis 2, Minnesota



Northern Assurance Promotes Kenzel to New Executive Posts

Northern Assurance group has promoted R. A. Kenzel to secretary of



R. A. Kenzel

Northern Assurance and assistant vice-president of American Marine, in charge of the western department.

Mr. Kenzel joined the group in 1927 and was named state agent in Wisconsin in 1931. He was appointed assistant secretary of the western department at the home office in 1952. He is past grand welder of Blue Goose and is a past president of Wisconsin Fire Underwriters Assn.

Demand Great for Fire Prevention Week Data

This year's Fire Prevention Week campaign, Oct. 7-13, will be the biggest in history, according to National Board. More orders for fire safety material have been received than in pre-

vious years, and a greater distribution of the material has been made.

Among the educational booklets in heavy demand were a child's guide to fire safety, *What Do You Know About Fire*, and a six-page leaflet, *The Careless Family*. Other publications keyed to the campaign are *Fire, Safety Suggestions for Parents Who Employ Baby Sitters, Your Farm and Fire Safety and Your Fire Safe Home*. Other material being distributed includes check lists, inspection blanks, posters, stickers, buttons and a fact sheet featuring short articles, speech outlines and statistics.

Tex. Insurance Women to Hold Annual Convention at Odessa

Federation of Insurance Women of Texas will hold their annual convention Oct. 11-14 at the Lincoln hotel, Odessa. In connection with the convention, the week of Oct. 8-13 has been proclaimed Insurance Women of Texas Week by Gov. Shivers.

Among the speakers are William J. Iliff, manager of the inland marine department of Fireman's Fund group at Dallas; Sam Clements, field supervisor for the Trezevant & Cochran general agency; John Hunters, special agent for Trinity Universal; George Cook, president of Odessa Assn. of Insurance Agents, and Marion Sanford of Lubbock, president of Texas Assn. of Insurance Agents.

Clark Retiring at General Re, Kottgen Assumes His Duties

Edgar Clark, corporate secretary of General Re, is retiring on the com-



Hector Kottgen

pany's pension plan but will continue to serve the company as a consultant. Hector Kottgen, a vice-president, will assume the duties of secretary in addition to other responsibilities.

Mr. Clark entered the business in 1919 with American Merchant Marine Ins. Co., and later became a vice-president. He held executive posts in Germania Fire, Colonial States Fire, Frank B. Hall & Co., and American Colony, before joining General Re in 1934 as assistant secretary.

Mr. Kottgen joined the company in 1927 and was elected vice-president in 1946.

Ind. Legislators Give Preview of '57 Session

Seventy-five percent of automobile experience is given no credence in rating in Indiana, according to Grat-tan Downey, chairman of the Indiana house of representatives. He spoke at a meeting of Life General Agents & Managers Assn. of Indianapolis.

"Because the Indiana department is hamstrung by a ridiculously low budget," he said, "it does not have the facilities to analyze the reports of non-board companies." Rating is, for the most part, based only on reports of National Bureau companies, which according to Mr. Downey, represent only 25% of the business in the state.

Mr. Downey recommended a law requiring standardized reports from non-board companies and an increased budget for the state insurance department. "My goal is for the department to keep 5% of its collections," he stated. "This would give it \$400,000 as contrasted to its present budget of \$170,000."

Mr. Downey served as a member of a panel on the legislative outlook for the 1957 session of the state's general assembly. Also on the panel were George Deiner, speaker of the house, and J. Russell Townsend, candidate for the senate.

Mr. Downey also told the meeting that it appears possible that Blue Cross may be able to "take off of the tax rolls" the huge Terminal building it bought last summer in what was characterized by the newspapers at the time as "the biggest downtown real estate deal in recent history." He reported that a bill is now being prepared to clarify the taxable status of the two organizations in Indiana, where the revenue director has already asked the attorney general for an opinion on whether the organizations should be subject to gross income tax as are all other domestic mutual companies.

When asked from the floor why a bill was necessary when the Indiana Blue Cross and Blue Shield are organized under the same laws as all other domestic mutual companies, Mr. Downey declared they are a "non-profit organization." A former insurance department attorney corrected

him from the floor, saying the laws under which they are organized do not differ from those of other domestic companies. Downey replied that it is just such conflict of opinion that the new bill will clarify.

Mr. Downey said the existence of "special charter" companies in Indiana is an open invitation to federal regulation. These companies were chartered by special acts of the legislature before the existence of an insurance code in the state and have been generally successful in contending they are not under the jurisdiction of the department. Mr. Downey pointed out that PL 15 leaves the federal government free to step in where states do not or cannot regulate.

In a discussion of credit insurance, Mr. Deiner said the forced sale of it with small loans "is a great crime against the public." He called for a law putting all credit insurance on a group basis, fixing rates and controlling commissions.

Cotter, Gaff Promoted by American Auto

American Automobile has promoted James L. Cotter to supervising examiner in the home office claims department and Frank H. Gaff to assistant claims manager at Chicago.

Mr. Cotter has been claims supervisor at Chicago since 1955. He began his insurance career in 1940 as an adjuster with Liberty Mutual, joined Hartford Accident in 1940 and American Auto in 1951 as claims supervisor at Atlanta.

Mr. Gaff was with Maryland Casualty and Preferred Accident until 1951, when he joined American Auto as claims supervisor at Chicago. He was transferred to the home office as a claims examiner in 1952 and returned to Chicago in 1955 as a claims unit supervisor.

Mutual of Omaha Honors E. B. Brink

DETROIT—E. B. Brink, general agent for Mutual Benefit H.&A. in Michigan, was honored at a luncheon recently at Detroit's Willow Run airport by the company's board of directors.

V. J. Skutt, president of Mutual of Omaha, described Mr. Brink's years of service to Mutual of Omaha and its policyholders. Presentation of a special achievement scroll by the board was made by Dr. Charles W. Mayo of Rochester, Minn., chairman of the board's award committee.

On hand for the presentation were executives of the E. B. Brink agency in Detroit and Michigan district managers for the agency.

W. O. Brink, associate general agent for the Brink organization, presided at the lunch. He introduced members of the board and officers of the company.

Michigan commissioner Joseph A. Navarre praised the efforts of Mr. Brink and his service record in Michigan.

In attendance at the luncheon were members of Mr. Brink's family, including Mrs. Brink, their sons, William O. Brink and John E. Brink. Bob Considine, Mutual of Omaha radio commentator and INS writer, was a guest.

Killian to Eastern Claim Post for Fireman's Fund

James H. Killian has been named claim department manager of the eastern department of Fireman's Fund. He joined the department in 1947 and was previously assistant manager.

NO. 2 OF A SERIES

Service does Pay



Says a Pearl-American Agent in North-eastern Iowa. This is his story: "One of my clients asked me if I could get trip insurance for two women friends of his wife who contemplated touring Europe for four months. They had been told that because their itinerary included East Germany such insurance

could not be obtained. I contacted your fieldman and he, through your New York office, arranged two inland marine policies in an international organization. Because of the contemplated visit to East Germany there was a considerable increase in premium but regardless, my client's friends were happy. While I cannot put my finger on a substantial line which came to me as the result of this incident, I do know that my client and these two women 'bragged' about what THEIR insurance agent did and I know such word of mouth advertising isn't going to hurt me in my small town."

Every Pearl-American Agent has at his command the facilities of one of the world's greatest companies. We invite your inquiry.

WE BELIEVE

the properly qualified "Independent" local agent can best SERVE the insuring public. Unlike the "Captive" agent he is free to utilize the insurance facilities of the world. In the present and continuing struggle between "Independent" and "Captive" agents it is important that this capacity of THE "Independent Local Agent" to SERVE be emphasized again and again. This series of twelve actual stories of everyday service rendered by "Independent" agents is published in that spirit. Reprints are available without cost or obligation.

PEARL AMERICAN INSURANCE GROUP

Home Office: 19 Rector St., New York 6, N. Y.
PEARL ASSURANCE COMPANY, LTD.
THE MONARCH INSURANCE COMPANY OF OHIO

Illinois A&S Forum Hears Walker Speak on Substandard A&S

Charles N. Walker, associate actuary of Lincoln National Life, spoke at the first fall meeting of Illinois Accident & Sickness Underwriters Forum on substandard accident and sickness insurance.

Mr. Walker said that the aim in writing A&S on the substandard basis is to make it available to as many people as possible at as fair and reasonable a price as is consistent with sound business principles. Most of the substandard policies issued by his company, he said, are issued to provide full coverage rather than with elimination riders. Some impairments—especially those presenting elective disability or surgical hazards, such as

hernia—still require the use of elimination riders but most do not. "We are issuing policies to applicants with physical impairment ratings ranging from 25% to 300% above standard level," he said.

Mr. Walker pointed out that all too often exclusion riders become vague in intent, becoming more an exercise in semantics than giving the company safeguards it needs and expects. "You are all aware of the difficulty in developing riders for individual cases which are clear in intent and are simultaneously sufficiently comprehensive to protect the company and satisfactory to the policyholder."

The 52 members attending the dinner participated in a lively question and answer period during which Mr. Walker said that the program was only in the experimental stages and he did not have any statistics to give.

Walter Letzsch, Central Standard Life, announced that there are now 58 members of the forum representing 21 companies. Edward Ryan, Municipal, introduced Mr. Walker.

N. Y. Agents Gird to Oppose Threat of State Fund for Compulsory

The executive committee and directors of New York State Assn. of Insurance Agents met last week in New York prior to the NAIA convention, to take up the threat that there will be pressure for a state insurance fund for compulsory automobile insurance.

The group passed a resolution calling on the governing board of New York assigned risk plan to remove all restrictions on the writing of automobile liability insurance through the plan. President C. Fred Ritter of Middletown was instructed to call for a conference with the governors of the assigned risk plan.

The compulsory law makes it imperative that anyone to whom New York has granted driving privileges must be afforded an opportunity to purchase insurance. The directors further requested that the AR plan make its intention to provide insurance to all licensed motorists in New York to both the legislative and executive branches of the state government.

The group also discussed its legislative program, plans for regional meetings and a fall membership drive, and the 75th anniversary program for next year. The association will publish a booklet commemorating the occasion. The group voted to look further into retaining legal counsel for the association and the executive vice-president, Craig Thorn Jr. of Hudson, was appointed to represent the association at the governor's conference on worker safety.

Flint A&H Agents Meet

Highlight of the first fall meeting of Flint (Mich.) Assn. of A&H Underwriters was the presentation of membership in the Leading Producers Round Table to Mrs. Blanche I. Ritter of the McKinnon & Mooney agency. Robert V. Winters, Flint manager of Prudential, made the presentation.

L. A. McKinnon, association president, named the year's committee chairman, and George Wheeler, a leading Bay City producer, spoke.

Swaps Insured at Lloyds

A half-interest in Swaps, four-year-old winner of the 1955 American Derby, has been purchased by John W. Galbreath. Insurance has been arranged in London Lloyds through Stewart Smith (Ill.) Inc.

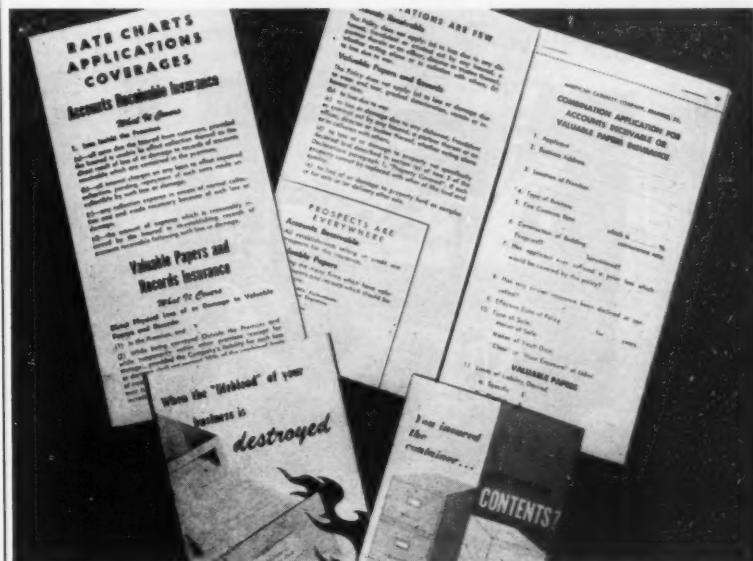
Meistrell To Tell Mutual Agents of Flood Cover Plans

Frank J. Meistrell, acting administrator of Housing & Home Finance Agency in charge of the federal flood indemnity program, will discuss this subject at the annual convention of National Assn. of Mutual Insurance Agents in Washington, D. C. Oct. 22-24.

Mr. Meistrell has consulted with representatives of the mutual agents

group and others in the insurance business, and he is expected to tell of developments in HHFA plans for administration of the program. Mr. Meistrell formerly was general counsel of the New York state Moreland act commission to investigate administration and cost of workmen's compensation insurance.

Insurance Brokers Exchange of California has set its annual golf tournament for Oct. 18 at Olympic Club, Lakeside. The annual banquet will be held that evening.



May we send you this Pocket Size Sales Kit on ACCOUNTS RECEIVABLE and VALUABLE PAPERS Insurance?

This is one of the many convenient sales aids which "American Casualty" makes available to agents.

It's small enough to carry in your coat pocket when you're going to discuss Accounts Receivable or Valuable Papers Insurance. Contains a brief outline of coverages; rates; ten applications and colorful advertising leaflets on both forms of insurance.

A request on your letterhead will bring you a sample kit by return mail.

American Casualty

READING • PENNSYLVANIA

All forms of Casualty, Surety, Fire, Marine and Accident & Sickness Insurance.

Reinsurance A. E. STRUDWICK Co.

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MINNEAPOLIS 2, MINNESOTA

208 SOUTH LA SALLE ST.
CHICAGO 4, ILLINOIS

A. E. STRUDWICK, PRES. W. H. KERN, V. P.
E. W. BLANCH, V. P. D. A. TAYLOR

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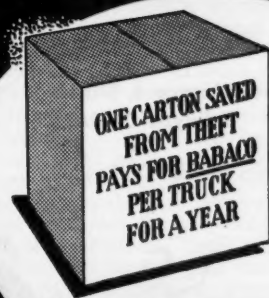
... advantage is yours when you sell the Mill Owners Automobile policy ... because you can give your policy holder complete coverage with savings as high as 10%.

Prompt claim service, fair adjustments and personal assistance from fieldmen make selling easier.

It pays to think of Mill Owners Mutual, when you sell automobile insurance. Write for information.



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FOR QUALITY PROPERTY INSURANCE, SEE YOUR HOMETOWN AGENT.

task force for catastrophe



When a windstorm, fire or other catastrophe strikes, everybody needs help at once. That could mean delay, suffering, needless expense for the property owners affected. The Home Insurance Company believes that its policyholders are entitled to extraordinary efforts to see that they get prompt, fair payment for their insured losses.

That's what quality insurance means. That's why it pays to buy the best.

And that's why in every office of The Home across the nation, catastrophe crews are trained and kept in readiness to serve you. The Home Catastrophe Plan supplements the work of other industry-wide organizations.

How can you get this kind of quality protection for your home, your car, your business? Just see your local agent or broker of The Home Insurance Company. It's the thing to do!

THE HOME

ORGANIZED 1853



Insurance Company

Home Office: 59 Maiden Lane, New York 8, N. Y.

FIRE • AUTOMOBILE • MARINE

The Home Indemnity Company, an affiliate, writes Casualty Insurance, Fidelity and Surety Bonds

A stock company represented by over 40,000 independent local agents and brokers

for a better understanding...

this advertisement appears in color in:

BUSINESS WEEK—Sept. 8; NEWSWEEK—Sept. 17;

TIME—Sept. 17; U. S. NEWS & WORLD REPORT—Sept. 28;

NATION'S BUSINESS—October; TOWN JOURNAL—October;

AMERICAN HOME—October; BETTER HOMES & GARDENS—October.

N.E. Mutual Agents Get Catastrophe Plan Instructions

Mutual Fire Insurance Assn. of New England has published the agents' guide to the revised New England agency mutual catastrophe plan that will be used by 53 agency mutual companies, including 25 members of the association.

The agents' guide lists 10 points for agents to follow in the event of another catastrophe. The full plan consists of three parts: An administrative section outlining company responsibilities; a clerical guide for personnel operating the central and zone supervisory offices, and the agents' guide.

When a catastrophe is declared, the claims division of the association will put the plan in operation. As soon as the locality is ascertained and a catastrophe number has been assigned, a letter of instructions will go to every agent in the area. The letter will be in their hands prior to the end of the 72-hour moratorium. A new feature is notice to agents when an adjuster has been assigned via an index card containing the name of the adjuster for the agent's reference file. Adjusters will be required to register and proofs will be checked.

GAB Has Coast Changes

General Adjustment Bureau has promoted Erle Nickerson from the adjusting staff at Phoenix to manager at Vallejo, Cal., to succeed M. B. Glasick, resigned. Mr. Nickerson has been with GAB since 1945, starting at Sacramento. He went to Phoenix in 1946.

Melvin H. Hunt has been named manager at Las Vegas. He has been in charge at Modesto, Cal., since 1953. At Las Vegas he succeeds Clinton Campbell, whose assignment will be announced later. Mr. Hunt has been with GAB since 1946 and before going to Modesto was manager at Twin Falls, Ida. His successor at Modesto is Richard C. Thomas, who has been at Redwood City, Cal., since 1953.

Springfield F.&M. Advances McGinnis, Four Others in East

Springfield F. & M. has promoted Richard L. McGinnis from manager at Boston to assistant manager at New York under Harry J. Landen, vice-president. Lloyd S. Remsen has been advanced from special agent to manager at Boston and William W. Price has been named special agent there.

The company has also transferred Donald H. Holman, adjuster, from Springfield to Pittsburgh, and has appointed Robert B. Gibson adjuster in western Massachusetts.

Mr. McGinnis joined the company in 1955 and was named manager at Boston.

Mr. Remsen also went with the company in 1955. Mr. Price was a local agent before joining the company last year. Mr. Holman went with the company in 1954 and was named adjuster in the home office last year. Mr. Gibson has been with the company's home office loss department since 1953.

Atlantic Mutual Advances Trowbridge; Names Lorenz Special Agent in Ohio

Atlantic Mutual group has promoted Edward Trowbridge to marine manager at Philadelphia and has appointed Donald W. Lorenz special agent in Ohio at Columbus.

Mr. Trowbridge joined the companies in 1952 and was a marine underwriter at Philadelphia.

Mr. Lorenz was formerly Tennessee special agent of Great American.

Md. Casualty Pays Bank Loss

Maryland Casualty has paid \$24,848 to Burke & Herbert bank, whose Alexandria, Va., branch was robbed by two gunmen on Sept. 7.

Wolverine of Battle Creek has moved its branch office at Columbus, O., to larger quarters at 4290 North High street.

Insurance Agents and Brokers:

NO MATTER HOW YOU LOOK AT IT

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WHEN YOU HAVE A DIFFICULT OR UNUSUAL RISK TO PLACE

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INSURANCE

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WA 2-9580 Teletype CG 2629

Correspondents of Underwriters at Lloyd's, London.



Safety, Nuclear Reports Highlight Marine Conference

Reports on marine safety recommendations, nuclear energy insurance and marine hazards, changing climatic dangers and international and national insurance regulations highlighted the meeting of the council of International Union of Marine Insurance in Monte Carlo.

Owen E. Barker, president of Appleton & Cox and president of American Institute of Marine Underwriters, was elected to the executive committee of the union, and Harold Jackson, president of William H. McGee & Co. and vice-president of American Institute of Marine Underwriters, was named an honorary member of the union. There are only four other honorary members.

Mr. Barker reported on two phases of international regulation of safety at sea, the work of the United Nations committee of experts on the transport of dangerous goods and a proposed inter-governmental maritime agency at United Nations level.

He said that the United Nations committee has been meeting since mid-August in Geneva to review the status of its report and the comments on it by governments. It is hoped, he said, that the final report will include, among other things, recommendations regarding various phases of packaging and packing of dangerous goods, suggested regulations with respect to handling and storage, minimum standards of accident and fire prevention and training, and education and publicity.

He reported on the status of a convention of the proposed inter-governmental Maritime Consultative Organization and said there is a need to ratify the convention and establish an active permanent organization on the UN level for the regulation of international shipping.

Madoe M. Pease of North British group, vice-president of American Institute of Marine Underwriters, enumerated the hazards a nearby nuclear energy plant would present to navigable waters in his report on nuclear energy developments. He reported on what American insurers have done in the nuclear insurance field and urged the union to continue the study of nuclear fission with an eye on how far marine protection can be extended.

In his report on changing climatic dangers, Mr. Jackson pointed out that hurricane hazards in the past two decades have become more prevalent along the northeastern coast of America due to a northern shift in the prevailing westerly winds, and added that if it is a permanent shift, it means further trouble for this area. He commented that in 1925 only 1.4 hurricanes hit the U. S. per year. The average is almost three times that now. From 1915 to 1935 hurricanes caused an average of \$32 million worth of damage a year. In the last two years alone, total hurricane damage was almost \$1.75 billion in the U. S., he said. He cautioned underwriters that melting glaciers, due to a gradually warming tendency in the Arctic will increase ice perils and high water conditions throughout the world.

John T. Byrne of Talbot & Bird, chairman of the union's freedom of insurance committee, reported that a resolution on freedom of transport insurance will be acted on in October at

the annual meeting of General Agreement on Tariffs & Trade in Geneva. He said that if passed the resolution would be the most significant accomplishment of the union in the field of freedom of insurance since the adoption by United Nations of a favorable resolution in 1951.

B. F. Zeller of Royal, chairman of the union's committee on free bills of lading, reported that the practice of letters of indemnity being issued for so called clean bills of lading has decreased appreciably in the past year. He commented that shipowners are less inclined to make observations regarding packing on bills of lading and banks are generally acting in conformity with recommendations of the union's uniform customs article.

Sells Los Angeles Building

General of Seattle has sold its 12-story building at Wilshire boulevard and LaBrea avenue, Los Angeles, to a syndicate at a price of \$1.5 million. The company will retain the ground floor and mezzanine under a long term lease to serve as its metropolitan Los Angeles office. General plans to build new regional offices in Panorama City, Cal.

Insurers May Ask Courts for Higher Mass. Auto Rates

Insurers are indicating they will appeal a tentative 50 cent increase in compulsory auto insurance rates in Massachusetts. The insurers figure that the increase should be 25% above this year's rates.

Commissioner Humphreys, in disclosing the new rates, said the additional 50 cents would be charged motorists because the merit plan surcharge revenues, used to depress the 1956 rates, are no longer available for rate reduction purposes. The legislature repealed the \$6 surcharged based on demerits given for auto law violations.

Spokesmen for insurers writing the compulsory auto cover in the state, say that the costs of auto liability cover will increase 25% in 1957 and that the companies should receive a substantial boost in premiums to meet the higher costs. Spokesmen said the companies may take their appeal for high-

er rates to court if the tentative rates are approved sometime next week.

Kemper Schedules Buyers Institute for Oct. 8-20

The Mutual Insurance Institute course for insurance buyers, sponsored by the Kemper companies, will be held in Chicago Oct. 8-20. The course was developed in 1952 after a survey made by the Kemper companies among 1,500 insurance buyers of large corporations indicated that a need existed for such instruction. The institute director, John M. Breen, and institute staff members and executives in the home office of the companies serve as instructors. During the course, each registrant completes a project analysis of the policies of a hypothetical manufacturing company.

N. Y. Agents Name 4 to Committee

Einar G. Johnson of Staten Island, Raymond A. Muth of Newark, Brad Peck of Copake and Lloyd Boice of Germantown have been appointed to the fire insurance committee of New York State Assn. of Insurance Agents to assist Russell M. L. Carson of Glens Falls, chairman.

Free!

A unique booklet to help you sell Business Life Insurance

Last May we offered you a free booklet to help you sell partnership insurance. Now we've got another fine booklet that will help you sell business insurance to close corporations. This one's called, "Your Corporate Associate Can Be Your Downfall."

Written and illustrated in the same delightful style as the partnership booklet, it shows your clients the risks they run when they fail to protect their business against the death of an associate.

If you want to pave the way for Business Insurance sales, send for your copy of this helpful sales aid today.

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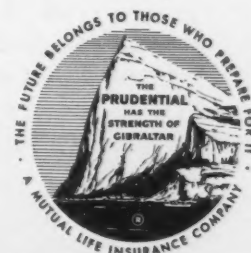
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NEWARK 1, NEW JERSEY

I would like a copy of your booklet, "Your Corporate Associate Can Be Your Downfall."

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Aetna Casualty Names Ver Merris Manager at Grand Rapids

Harold J. Ver Merris has been appointed manager of the Grand Rapids office of the Aetna Casualty, effective Oct. 1, succeeding Roy Brown, who has been named manager of a new office at Springfield, Ill.

Mr. Ver Merris has been with the Grand Rapids office since he joined the company in 1927, and lately he has served as superintendent of the underwriting department.

100 Attend Golf Outing of Chicago A&H Assn.

More than 50 golfers and an almost equal number of non-golfers and guests attended the annual golf outing and banquet of Chicago A&H Assn. at Woodridge country club.

Edward Kieserg of Fireman's Fund group was chairman of the golf committee, while John Sonin, also of Fireman's Fund and president of the association, presented the prizes at the banquet.

Top low gross scores were turned in

by Carroll F. Snyder of Benefit Association of Railway Employees (74), W. C. Robinson of Continental Assurance (75) and Harold Bloomfield of B.A.R.E. (77).

Mr. Kieserg took the top low net prize with a 66 and Robert Banks of Fireman's Fund won the blind bogey award with a 79.

There were also several prizes awarded to winners in the women's bridge tournament.

Wis. to Adopt A&S Code

MADISON—Commissioner Rogan will shortly issue an order for the adoption of a code of fair practices governing the advertising of accident and sickness insurance in Wisconsin. Representatives of companies doing business in the state attended a hearing conducted by the commissioner and appeared in general agreement for the adoption of a code based on that adopted by the National Assn. of Insurance Commissioners last year and by 40 other states.

Mr. Rogan stated at the hearing that most complaints registered with his department concerning A&S insurance are about mail order companies not licensed by Wisconsin.

GAB Makes Changes in Southwest Offices

R. V. Cherry, general adjuster in the southwestern department of General Adjustment Bureau, has been transferred from Houston to Dallas, effective Oct. 1. Mr. Cherry has been in the business for 30 years, most of that time with Western Adjustment.

Wesley Coles has been appointed general adjuster at Houston. Paul R. White, manager at Galveston, has been named to succeed Mr. Coles as Houston manager, and W. P. Brookes has been promoted to Galveston manager.

Mr. Coles has been in the adjustment field for 30 years and with GAB at Houston since 1945. He became manager there in 1952.

Mr. White has been a GAB man for 15 years, and has been at Galveston and Houston, becoming Galveston manager in 1949.

Mr. Brookes, who has been with GAB for seven years, has been at Galveston for two years as adjuster under Mr. White.

Southern Fire Merger with U.S. Fire of C.&R. Group Proposed

Directors of Southern Fire will meet Oct. 26 and those of U. S. Fire Oct. 30 to vote on a proposal to merge Southern with U. S. Fire, effective Dec. 31. The proposal is subject to approval of New York and North Carolina departments.

Prior to merger, Southern Fire would pay a 33 1/3% stock dividend to increase capital to \$1 million, consisting of 100,000 shares of \$10 par, and subsequently U. S. Fire would exchange one of its shares for each share of Southern.

As the continuing corporation U. S. Fire's authorized capital stock would be \$7 1/2 million, consisting of 2 1/2 million shares of \$3 par of which 2,100,000 would be outstanding after the merger. Presently outstanding U. S. Fire stock would not be changed or converted.

Assets of U. S. Fire after merger would be \$131,973,492, capital \$6,300,000, net surplus \$62,439,043 and policyholder surplus \$68,739,043.

N. C. to Review Credit A&S Rates, Experience

Commissioner Gold of North Carolina will hold a public hearing Sept. 29 to review credit A&S premium rates and loss experience for the past year.

It will be the commissioner's second rate review since the 1955 general assembly authorized him to supervise credit A&S. At the first review last year, he ordered an immediate reduction of 25%. While the law instructs the commissioner to review the rates from time to time, Mr. Gold said he will review them annually.

Although the seven companies selling A&S through small loan firms have filed their 1955 experience reports, Mr. Gold said he had not had an opportunity to study them. His staff indicated that claim payments have increased substantially.

FTC Hearings on A&S Ad Charges Roll On

WASHINGTON—Examiner Laughlin of Federal Trade Commission heard oral arguments here in the complaint against Guarantee Reserve Life of Hammond, Ind., which FTC charged with false A&S advertising.

He has these other hearings scheduled: Lumbermen's Mutual Casualty Oct. 4; American Casualty Oct. 8, Combined Oct. 15, Liberty Mutual Oct. 16 here and Oct. 19 in New York. One scheduled Oct. 1 on Mutual Life was continued indefinitely after the examiner certified certain questions to the full commission for decision. Examiner Haycraft was scheduled to hold a hearing Sept. 28 at Dallas on the complaint against National Bankers Life.

HIAA Appoints Hawkins Counsel

Health Insurance Assn. of America has named as staff counsel Paul M. Hawkins, Washington, D.C., attorney and former general counsel of American Retail Foundation.

He started in law as a bond examiner for the Nebraska state auditor's office and was a clerk and investigator for the claims committee of Nebraska legislature. He became attorney and assistant manager for American Hotel Assn. and then director of legislative research for Citizens National Committee, now known as the Tax Foundation. He joined American Retail Foundation in 1951.

Schirmer Engineering In New Home Office Building

Schirmer Engineering Corp. has moved into its new office building at 2447 West Peterson avenue, Chicago. Schirmer Engineering started in 1939 as a fire protection, inspection and consulting organization under the name Hendricks Engineering Corp. R. W. Schirmer purchased the company from the estate of the late A. E. Hendricks in 1949. The company operates in all 48 states and maintains offices in principal cities and in Canada and Mexico. R. W. Schirmer is president, C. W. Schirmer is vice-president, and D. I. McGonagle is supervisor of inspections.

Mason, Hanna to Discuss New Look in A&S Ads

Lowell Mason of Federal Trade Commission and John V. Hanna of Health Insurance Assn. will talk on "The New Look in A&S Advertising" at the annual conference of Assn. of Better Business Bureaus in Savannah, Ga., Oct. 4.

Representatives of bureaus in almost 70 cities of the country will attend the meeting. The A&S advertising item was placed on the program, according to BBB, because bureau personnel over the country have found it difficult to keep up to date on the A&S-FTC situation.

We invite inquiries on:

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ON SURETY BONDS

**CITIZENS CASUALTY COMPANY
OF NEW YORK**

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The Reinsurance Corporation

OF NEW YORK

* * * * * AN AMERICAN REINSURANCE MARKET * * * * *

All classes of Reinsurance except Life

99 JOHN STREET, NEW YORK 38, N. Y.

St. Louis Paper Blasts Illinois Department

(CONTINUED FROM PAGE 1)

hundred dollars in other states. The companies paid the politically powerful Republican lawyer after experiencing interminable delays in the handling of their license applications in the insurance department, the officers explained. Applications had smooth sailing once Barrett received his payment, they added.

"Other companies have refused to pay Barrett and have withdrawn their applications in disgust, it was learned."

In the second article, the paper relates the story of the license application of Alabama General of Montgomery, saying Barrett persuaded an executive of the company "to alter company records to conceal a \$5,000 check sent Barrett when the firm sought a license in Illinois."

Louis B. Nagy, treasurer of Alabama General, is quoted as saying he had a conference with Barrett at Chicago last April and Barrett declined to forward a copy of the company's annual statement to the department unless a notation disclosing his \$5,000 fee was expunged. "Barrett said this was an election year and he couldn't afford to have his name in the statement. Nagy related 'that was the only change he suggested. He was a real Dapper Dan.'"

"The insurance company, Nagy continued, complied with Barrett's request and sent him a statement omitting mention of the \$5,000 payment but then reconsidered and decided not to seek an Illinois license. Barrett then returned the \$5,000 check without taking the matter up at Springfield, the official said.

"... Telling of his dealings with Barrett, Nagy said that a Chicago lawyer with whom the company had done business informed him he had 'heard' that Barrett was 'the man to see' to get an Illinois license and that the fee was \$5,000. Similar information was received from other sources, Nagy added."

When Alabama General made its first overtures to Barrett it sent a letter saying: "We have been advised that your fee for attorney's service will be \$5,000. We understand of course that there will be certain miscellaneous costs and have been authorized to pay same." The miscellaneous costs, Mr. Nagy told the *Post-Dispatch*, referred to "any filing fees which might be necessary or other routine legal expense."

The Chicago *Daily News* took up the *Post-Dispatch* lead and on Monday carried a story quoting Commissioners Sheehan of Minnesota and McConnell of California on their problems with Illinois. Mr. Sheehan, the *Daily News* said, called the Illinois practices "ugly business methods." The Minnesota department had to retaliate and hold up Illinois company applications in Minnesota for more than a year until the situation eased up.

Mr. McConnell told the *Daily News* he was "forced to call McCarthy because of the stalling tactics against the California-Western States Life Ins. Co. The company's attorney, Howard Jeske, confirmed this. Jeske, reached at Sacramento, said the company tried a year ago to get application blanks from McCarthy's office. Not until McConnell personally called McCarthy several months later were they able to receive the blanks, Jeske said."

The Chicago *Sun Times* on Tuesday carried a report that the Chicago Better Business Bureau has charged the Illinois department with failing to cooperate with BBB investigations of

overcharges on insurance for financed automobiles. Kenneth Barnard, president of the Chicago bureau, said he has waited several months for a reply to a questionnaire sent to McCarthy.

A letter was sent Feb. 24, and when no reply had been received by Aug. 27 another letter was sent, and this was answered by L. A. Berman of the department, who said the questionnaire had been referred to Laddie T. Pelnar, who has been out of action with a coronary attack but will answer the questions when he returns to duty.

The *Sun Times* says: "The apparent shoulder-shrugging attitude in the state insurance department was brought to light several days after the St. Louis *Post-Dispatch* had charged certain irregularities."

BLUE CROSS-BLUE SHIELD

Mich. Commission to Go Ahead with Study Despite Setbacks

The commission appointed by Gov. Williams of Michigan to study Blue Cross-Blue Shield operations in the state has decided to proceed with its survey despite the resignation of Dr. S. J. Axelrod, University of Michigan public health economist.

Dr. Axelrod said opposition by the Michigan State Medical society has made his research impossible. The commission, however, determined to continue following an outline originally submitted by Dr. Axelrod. They designated a subcommittee to "work out refinements" in the study plan.

George E. Bowles, commission chairman, said the commission expressed faith in Dr. Axelrod and admitted it would be difficult to replace him. Any new study director, he indicated, probably would find something less than a cordial reception by some "in the medical world."

The study was initiated after repeated criticisms from CIO union leaders, particularly Walter Reuther, AFL-CIO vice-president. They objected to increasing Blue Cross-Blue Shield rates and claimed abuses in connection with the hospitalization-medical care operations. The services have some 3½ million Michigan subscribers, a large percentage of whom are union members.

SALES WORKSHOP

NAIA Sales Panel Points to Market for Quality Product

NEW YORK—Three points of view—those of a company official, an agent and a sales executive from outside the insurance business—were given NAIA members at a sales workshop during their convention here. These were strikingly akin—the market, a market of millions, is there, it wants quality more than price, but it must be reached.

E. F. Gallagher, manager of Planet, Chicago, said growth of the business is in the hands of the agents. In 1955, fire and casualty premiums were \$11 billion—most of this produced through local agencies. But the trend of the 10-year period 1944-54, if allowed to continue, would find stock companies and their agents handling less than 50 percent.

Fire and allied lines premiums in 18 middle western states were \$372 million in 1944, close to \$1.5 billion 10 years later. This was an increase of more than 300 percent but means only that the insurance business held its own in an expanding economy. Stock companies went ahead only 215 percent in that period, Mr. Gallagher said, while non-agency companies jumped 1,144 percent, from \$3.5 million to \$43 million.

However, this trend will not continue, if agents get busy and sell. The trouble is that the agency system has not been creating premiums, Mr. Gallagher said. Policies and contracts have been sold, not peace of mind and protection. Too many clients and prospects have never been told about coverages which are important for them. Business interruption is an important example, but there is far too little activity with accounts receivable,

leasehold interest and fire legal liability, to mention only a few.

H. T. Moran, Oklahoma City agent, said insurance men should get down to cold canvassing, night-work and at least a six-day week. This is the way many agents built what they have now—many a best risk on the books came in first through a cold call.

Of hours, Mr. Moran said people cannot be seen during the day while they are at their work and they know better than to come to the agent's office after work. He is closed. They must be seen at home during the evening or on Saturdays. Or, he suggested, why not keep open later and emphasize this in advertising?

Mr. Moran also stressed the importance of keeping up on things. Every agency needs a continuing educational program, he said.

The outsider's view was presented by A. H. Motley, president of Parade publications. Mr. Motley, billed as a "master salesman," explained that price is not a stumbling block today. He urged agents to create wants and get good news about coverages and their uses out to the public.

Winners of Traffic Safety Awards

For the fifth consecutive time Grand Ledge (Mich.) Assn. of Insurance agents won Assn. of Casualty & Surety Companies highway safety contest award for communities of less than 10,000 population. The award was presented at the NAIA convention in New York by Paul Blaisdell of the casualty association's accident prevention department.

For the third consecutive time the Whitley County, Ind.—Columbia City—association won the prize for communities 10,000-25,000. Kenosha (Wis.) association won in the 50,000-100,000 class, and Sacramento won in the 100,000-250,000 class for the second time in three years.

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INSURANCE COMPANY
VICTOR MONTGOMERY, President
HOME OFFICE: LOS ANGELES

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MULTI-BILLION DOLLAR MARKET

Continental offers you a new, different kind of sales and underwriting cooperation in developing business from the multi-billion dollar construction industry.

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You and your clients benefit by consideration of any risk on an overall basis rather than any single line offered... retrospective rating formulas offering unusual flexibility... effective engineering service... faster quotes and more efficient service... plus numerous other advantages of importance to both you and your client.

Find out how Continental's Contractors Division can help you expand production and earnings in this rich, important market... including experienced personal assistance in the field. Now... today... write Department 318

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ASSOCIATED COMPANIES:
Continental Assurance Co. • Transportation Insurance Co.
"America's Department Store of Insurance"



Convention Dates

- Oct. 1-3, Wisconsin Assn. of Insurance Agents annual, Schroeder hotel, Milwaukee.
Oct. 7-9, Pennsylvania Assn. of Insurance Agents, annual, Bedford Springs hotel, Bedford Springs.
Oct. 7-10, National Assn. of Casualty & Surety Agents, annual, White Sulphur Springs, W. Va.
Oct. 7-10, National Assn. of Casualty & Surety Executives, annual, The Greenbrier, White Sulphur Springs, W. Va.
Oct. 8-9, Conference of Actuaries in Public practice, annual, Morrison hotel, Chicago.
Oct. 11-12, Nebraska Assn. of Insurance Agents, annual, Hotel Cornhusker, Lincoln.
Oct. 11-13, New Mexico Assn. of Insurance Agents, annual, La Fonda hotel, Santa Fe.
Oct. 14-15, Insurance Federation of North Dakota, Eagles Club, Bismarck.
Oct. 14-16, Missouri Assn. of Insurance Agents, annual, Hotel Statler, St. Louis.
Oct. 14-17, Federation of Mutual Fire Insurance Companies, annual, Sheraton-Gibson hotel, Cincinnati.
Oct. 14-17, National Assn. of Mutual Fire Insurance Companies, annual, Sheraton-Gibson hotel, Cincinnati.
Oct. 15, Rhode Island Assn. of Insurance Agents, annual, Sheraton Biltmore hotel, Providence.
Oct. 15-17, California Assn. of Insurance Agents, annual, Sheraton-Palace hotel, San Francisco.
Oct. 15-17, Ohio Assn. of Insurance Agents, annual, Cleveland.
Oct. 16, North Dakota Assn. of Insurance Agents, annual, Eagles Club, Bismarck.
Oct. 16-17, Massachusetts Assn. of Insurance Agents, annual, Sheraton Plaza hotel, Boston.
Oct. 17-19, Insurance Accountants Assn., annual, Hartford.
Oct. 19-20, South Carolina Assn. of Insurance Agents, annual, Ocean Forest hotel, Myrtle Beach.
Oct. 21-23, Insurers of Tennessee, annual, Noel hotel, Nashville.
Oct. 21-23, Maryland Assn. of Insurance Agents annual, Lord Baltimore hotel, Baltimore.
Oct. 22-23, Arizona Assn. of Insurance Agents, annual.
Oct. 22-24, National Assn. of Mutual Insurance Agents, annual, Shoreham hotel, Washington, D. C.
Oct. 22-24, Western Underwriters Assn., annual, The Greenbrier, White Sulphur Springs, W. Va.
Oct. 23-24, Louisiana Assn. of Insurance Agents, midyear, Hotel Bentley, Alexandria.
Oct. 25, American Institute of Marine Underwriters, annual, New York.
Oct. 28-30, Kansas Assn. of Insurance Agents, annual, Broadview hotel, Wichita.
Oct. 28-30, Illinois Assn. of Insurance Agents, annual, Springfield.
Oct. 29-31, National Assn. of Independent Insurers, annual, Hotel Commodore, New York City.
Nov. 7-9, Michigan Assn. of Mutual Insurance Agents, annual, Pantlind hotel, Grand Rapids.
Nov. 8, Connecticut Assn. of Insurance Agents, annual, Statler, Hartford.
Nov. 8-9, Illinois Assn. of Mutual Insurance Agents, annual, Kaskaskia hotel, La Salle.
Nov. 11-13, Kentucky Assn. of Insurance Agents, annual, Kentucky hotel, Louisville.
Nov. 15-16, Mutual Agents Assn. of New England, annual, Hotel Kimball, Springfield, Mass.
Nov. 16-17, Kansas Assn. of Mutual Insurance Agents, annual, Jayhawk hotel, Topeka.
Nov. 18-21, Indiana Assn. of Insurance Agents, annual, Claypool hotel, Indianapolis.
Nov. 22, National Assn. of Mutual Casualty Companies, annual, Edgewater Beach hotel, Chicago.
Nov. 22-23, American Mutual Alliance, annual, Edgewater Beach hotel, Chicago.
Dec. 3-7, National Assn. of Insurance Commissioners, semi-annual, di Lido hotels, Miami Beach.

Travelers Advances Two

Travelers has appointed Nicholas Grechko superintendent of casualty accounting and Miss Mary R. Mayer supervisor of the punch unit in the casualty accounting.

Mr. Grechko joined the company in 1937. Miss Mayer has been with the company since 1946.

New Fire Fighting Film Released

A new instructional film on fire prevention, "The First Five Minutes," has been released by Audio Productions with the cooperation of National Board. The 27-minute film emphasizes the importance of the industrial fire brigade in plant fire protection and prevention and features Chief Henry G. Thomas of Hartford. Copies of the film may be borrowed from Bureau of Communication Research, 13 East 37th street, New York City.

"May I Have A Word With You?"



On November 1, 1956, we will celebrate our 30th Anniversary. Buckeye Union has gone far in these 30 years. Let me tell you a little about it.

There were 217 agents in 1926, and they were all located in Ohio. Now we are represented by 1300 agencies in Pennsylvania, Indiana, Michigan, West Virginia and Kentucky as well as Ohio. And were entering Virginia full scale within the next few months.

To handle all the underwriting, claims, field service and paper work we had 18 officers and employees in the home office. Today 30 years later, we have over 600 company employees in the home office and our 24 service and claim offices.

Assets have gone from \$169 thousand to \$40 million; surplus from \$146 thousand to \$13 million; premiums written increased from \$29 thousand to \$25 million. Never once during our 30 years have we failed to show an increase in the amount of premiums written over the previous year. We're proud of that.

No companies were purchased in our history, so this progress is strictly the result of hard work by Buckeye Union people.

Thirty years ago we didn't have a fire insurance company. We didn't write bonds or boiler insurance. We didn't have group life insurance for agents. We didn't have a school for agents and solicitors. There were a lot of things we didn't have then, but we have them now. We have everything necessary to make the next 30 years even more successful than the first 30.

Most important, we have the best Agency Plant in the country. We have progressive management. We have a real desire to become top company in the office of every agent we have licensed.

If you'd like to get some details as to why we've had such a great 30 years, contact our Agency Superintendent in the home office, or our branch office nearest you. If you're in Buckeye Union territory, one of our fieldmen passes through your town every other week. Arrange to have him stop in next time.

F. E. Jones
PRESIDENT

BUCKEYE UNION
INSURANCE COMPANIES

Fire — Casualty
Columbus 16, Ohio

An Open Letter to the Insur-

DEAR FRIENDS,

Since the very beginning of commerce among nations there has been some form of mercantile insurance. It dates back, in primitive form, to the Phoenicians of three thousand years ago. And in all the years since then the constantly expanding insurance industry, now a virtual colossus, has had one primary concern — the financial security of commerce, navigation and industry.

The continuity of worldwide economic development throughout the years depended largely upon the protection of property values by means of insurances. Property might be destroyed, but the financial security of its owners remained intact.

Equally important, but less appreciated generally until more recent years, has been the need for protection of human values inherent in the moral and social principles of the Judo-Christian tradition. Human values, unlike property values, are not insurable. Their security depends, not upon our ability to replace them if they are destroyed, but on our willingness to guard them against destruction.

These are dangerous times. We are confronted with demoniac totalitarian aggression controlled by shrewd and ruthless men. Their tactics change, but their goal of world domination by destruction of the security of western civilization is ever constant. Military and economic protection against their machinations is, of course, imperative. But basic to both is the safeguarding of the human values upon which all forms of defense depend.

There was a time when wealthy individuals, in their lifetimes and in their wills, made large donations to worthy social and educational institutions. Now, with the advent of skyrocketing personal taxation, these contributions for the progress and protection of our human values are drawing to an end. We are faced with the need of finding new means and new sources to replace and increase them, in view of the challenge that confronts us.

We can choose one of two ways in which this may be done. Either we can call upon our local and national governments to assume the entire responsibility of financial and economic security of our communities, which would, inevitably, alter the form of our free society, and for which we should have to be assessed additional taxes in any case; or our business and industrial establishments, which can well afford to do so, will voluntarily take over their proper share of this responsibility.

The insurance industry has always been a catalyst in the industrial life of the nation. It has *made* progress happen. By its nature it thrives best in a healthy society. Indeed, its entire reason for being is to preserve and improve this condition. The very serious question that confronts us now, as insurance men, is whether we are prepared to do our share for the protection

of our human values, in the same way that we have led the world for several thousand years in other, more material, areas. I think we are, and that is why I address this open letter to you.

The trained social worker is the keystone of whatever help we give for the preservation of human values. He brings an understanding of, and desire for, cooperation and good community relationships in underprivileged neighborhoods; he steers youngsters away from delinquency; he helps mothers and fathers to cope with social and economic problems that beset them; he is the key man upon whom we depend for immediate and competent action in a disaster area; he devotes his life to the welfare of our community — in your home town, elsewhere in our country, and in underdeveloped areas abroad. *But social workers don't just grow — they have to be taught and trained.*

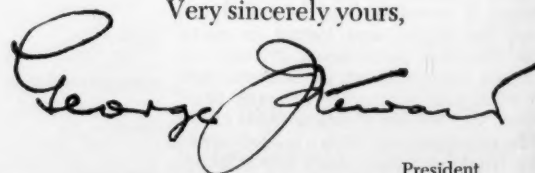
Thousands of young men and women who have completed their college educations are desirous of entering this self sacrificing field. They do not come from high income families as a rule. At The New York School of Social Work, which is one of the oldest and largest graduate schools of social work in the country, over 60% of all students require some form of aid to see them through the two years of study and training.

Each year the school allocates nearly \$40,000 in its budget for fellowship aid despite the fact that this one item puts their operations into the red. Why do they continue to do it? Dean Kenneth D. Johnson of The New York School says: "The need for these students is so great that the necessity for their training even outweighs the heavy burden of our annual deficit."

Though The New York School of Social Work is affiliated academically with Columbia University, it receives no financial support from taxes or from a parent university. We believe that our insurance industry, noted for its ability to evaluate and pioneer in worthwhile enterprises, will join with me and my firm in contributing to a Fellowship Fund for this institution.

We hope you will be able to do so, as we have done, by allocating a part of your allowable charitable contributions to The New York School to help them meet more fully the pressing need for well trained men and women social workers. You may rest assured that your gift will aid students eminently qualified to make a permanent contribution to the world you live and work in, in return.

Very sincerely yours,



President

STEWART, SMITH & CO., Inc.
116 John Street, New York

Insurance Industry

WHAT OUR LEADERS SAY ABOUT IT...

AVERELL HARRIMAN, Governor, State of New York

I wish to congratulate you warmly on the help you are giving to the fellowship plan being established by the New York School of Social Work, Columbia University. The fellowship program is deserving of every support, and I wish it success.

HON. MARION B. FOLSOM, United States Secretary of Health, Education and Welfare

In the Department of Health, Education and Welfare, we are acutely aware of the lack of trained social work personnel, a fact that President Eisenhower pointed out in his State of the Union message. The problem calls for the earnest cooperation of public and private groups and for public support of worthwhile efforts to relieve the shortage.

GRAYSON KIRK, President, Columbia University

In this significant and important step in the field of social work education, we move toward a goal of more abundant and useful life for all people. The graduates of this program, located throughout the world, will be trained to restore the worth and dignity of the human soul.

CARL M. LOEB, JR., President, Community Council of Greater New York, Inc.

With the superb academic facilities of The New York School of Social Work, Columbia University, you will be sending out enlightened ambassadors to all parts of the nation where the seeds of your experience and skill will be planted in other communities' soil.

RAYMOND W. HOUSTON, Commissioner, Department of Social Welfare, State of New York

Our whole field of social work is threatened by a lack of trained workers. One of the solutions to this threat is the provision of fellowship plans for new students such as that which you are announcing in collaboration with The New York School of Social Work, Columbia University.

HENRY L. MCCARTHY, Commissioner, Department of Welfare, City of New York

The critical shortage of trained social workers has been a matter of very grave concern to all of us. It is, therefore, heartening to learn of the definite contribution that will be made through this program.

HUGH R. JONES, President, Family Service Association of America

We need more professional social workers as sorely as we need more engineers. I hope this fellowship plan, with its broad humanitarian aims and conditions, will serve to kindle like action by other individuals, organizations, and communities throughout the country.

HON. ROBERT F. WAGNER, Mayor of the City of New York

Your new fellowship plan for social work students at The New York School of Social Work, Columbia University, is bound to result in New York City's sharing its assets and experience for the common good.

GIVE WHAT YOU CAN CORPORATELY OR INDIVIDUALLY

INCOME TAX DEDUCTIBLE

DEAN KENNETH D. JOHNSON *The New York School of Social Work*
2 East 91 Street
New York 28, N. Y.

Dear Dean Johnson,

Enclosed is our (my) check for \$_____ to the order of The New York School of Social Work, as our (my) contribution to the Fellowship Fund of The New York School.

NAME _____ PLEASE PRINT

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N. J. Approves Three Year Fixed Rate Form

Compensation Rating & Inspection Bureau of New Jersey has approved the three-year fixed rate workmen's compensation policy program in the state, effective Oct. 1.

The program is limited to risks with an estimated manual premium of \$100 or less and is optional with member companies and employers. It will not be available under the state's assigned risk WC plan which provides for only one year policies.

The fixed rate policy may be cancelled during the three-year term if the employer qualifies for experience rating or if the risk becomes ineligible for the program. Insurers must identify the policy as a three year fixed rate policy either by a long term policy condition in the policy or by a long term endorsement form. The bureau must also be informed how the policy will be identified as respects the bureau and the policyholder, and each program's procedure must be approved by the bureau.

McGuinness to Address Conn. Club

William D. McGuinness, insurance manager of Port of New York Authority, will address Mariners Club of Connecticut and show a film, "Conquest of the Hudson", at the Oct. 9 meeting in the Saengerbund, Hartford.

Superior Agents Elect Yehle

Superior (Wis.) Assn. of Insurance Agents has elected Ambrose Yehle as president to succeed Paul Holden. Other officers are: Ernest Darst and C. A. Gray, vice-presidents, and Robert Demgen, secretary-treasurer.

William Bellamy, Kankakee, Ill., newspaperman, has joined the public relations staff at the home office of Allstate as a copywriter. He was sports editor of the Plymouth, Ind., *Pilot-News* for three years prior to becoming general assignment reporter-photographer for the Kankakee *Daily Journal* in 1955.

Mich. Case to Test Extent of Liability

An action testing the extent of an insurer's liability, believed certain to be appealed to the Michigan supreme court no matter what the outcome, was tried in Muskegon circuit court during the past week. Counsel have been granted two weeks in which to file supporting briefs.

The action, brought by Adolph Allen, Muskegon, and American Fidelity Fire, seeks to obtain a garnishment judgment for \$8,915, representing damages and costs, against Citizens Mutual Automobile of Howell.

The sum sought represents the amount of judgment and court costs assessed against Willie Cheatum, a Citizens Mutual insured who was involved in an accident with Allen. The judgment was returned last April and Cheatum subsequently left Muskegon and has refused payment.

Citizens Mutual contends it is not liable to pay the judgment because its insured broke his contract by leaving the city of his residence and by failing to cooperate with the company in settling the claim.

Insurance Panelists Set for New York Safety Conference

Several talks on the efforts of the insurance business to reduce industrial accidents will highlight panel discussion groups during Gov. Harriman's worker safety conference Sept. 27-28 in Albany.

The insurance panels will be moderated by J. Dewey Dorsett, general manager of Assn. of Casualty & Surety Companies, and Michael J. Murphy, general manager of Assn. of New York State Mutual Casualty Companies.

Speakers on the panels will include Thomas J. Duffy of Liberty Mutual, Lawrence Christopher of State Fund, Charles S. Rust of Aetna Casualty, Louise Candland, nursing supervisor of Employers' Mutual of Wausau, and Thomas J. Burke of Metropolitan Life.



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Better Business Bureau Blasts PHD Overcharges

National Better Business Bureau is distributing nationally a bulletin that calls the attention of the public to the millions of dollars in overcharges resulting from misclassifications of collision insurance on financed automobiles.

The bulletin names the companies "known to be involved" in the overcharging—Cavalier and Calvert Fire (Commercial Credit Co.), Emmco (Associates Discount Corp.), Industrial (American Installment Credit Corp.), Marathon (Pacific Finance Corp.) and Service Fire (Universal CIT Credit Corp.). Not all insurers of finance companies overcharged, according to the bulletin.

The bulletin quotes New Jersey's insurance commissioner: "In the early part of this investigation we formed the opinion that the omission of complete classification data was deliberate because, in many cases, the underwriting information was retained in the office of the finance company or bank, where the business originated, and was not forwarded to the home office of the company for proper classification by the company underwriters." The Massachusetts commissioner is quoted in the bulletin as describing the practice as "a combination of slipshod and unconscionable practices perpetrated jointly by a number of automobile dealers, financing institutions and their affiliated insurance companies."

The bulletin states that Service Fire, etc., "had followed the practice of writing class 1 policies only in those cases where a rating form was attached showing that the policy was entitled to the lower rate. If the dealer or finance company neglected to submit the necessary rating information, the insurance company took no steps to determine the facts, but simply wrote the policy at the higher rate."

"Obviously," the Better Business Bureau comments, "doing business under this theory could be highly profitable to the insurance company."

While overpayments are being returned to many policyholders in many states, the bulletin comments, there are many people entitled to refunds who are not getting them, many apparently because they failed to return questionnaires sent them by insurance departments.

BBB has received no reply from "the majority of states" as to what they are doing to require the return of overpayments, the bulletin declares. Other states requiring refunds will not divulge to BBB the names of the insurers involved, according to the bulletin.

The bulletin goes on to tell motorists how to get refunds to which they are entitled and to warn automobile buyers how to protect themselves against "packing" by motor car dealers. They can do the latter if, before signing an auto time purchase contract, they insist on getting four basic facts separately and in writing: Cash delivered price, including specific extras; exact amount of down payment and trade-in allowance, if any; finance charge and for how long, and cost of insurance and coverage provided.

Milwaukee Board Annual Oct. 10

Milwaukee board will hold its 94th annual meeting and election Oct. 10.

Robert A. Ewens, executive vice-president of Wisconsin Manufacturers Assn., will speak at the dinner on "The Legislative Outlook."

Nationwide Corp. Pays First Dividend, Adds to National Casualty Holding

Nationwide Corp., the holding company owned by Nationwide Mutual, has declared its first cash semi-annual dividend, 7½ cents per common share, payable Oct. 5 to shareholders of record Sept. 25.

Nationwide Corp. has acquired the bulk of stock it did not previously own in National Casualty, and now has 82% of the 200,000 shares outstanding. The latest purchase was 41,651 shares for \$2,624,013.

This was the second major purchase by the corporation this month. Last week Nationwide Corp. bought more than 33,000 shares—about one-third interest—of North American Accident of Chicago for upwards of \$4.5 million.

John W. Ansell of the legal department of Home has been elected president of the 59 Maiden Lane Club, internal organization of the company.

Claim Assn. Elects Wilks President to Succeed Linthicum

Lee Wilks, vice-president of Lincoln National Life, was elected president of International Claim Assn. at the 3-day annual meeting in Hotel Chamberlain at Old Point Comfort, Va. Mr. Wilks succeeds Edwin Linthicum Jr., secretary of the life, accident and group claim departments of Travelers.

Other officers elected were Wallace Wessels, manager of the claim department of Phoenix Mutual, vice-president; Louis L. Graham, vice-president of Business Men's Assurance, secretary, and John McAlexander, assistant secretary of Bankers National Life, treasurer.

Elected to the executive committee for 2-year terms were George W. Lane Jr., manager of group and disability claims of Metropolitan Life, chairman; Walter T. May, assistant secretary of Massachusetts Mutual; John Birken-dale, claims manager of North American Life of Toronto; Howard J. Le-

Clair, vice-president of Mutual Benefit H.&A., and Mr. Linthicum.

Chosen for 1-year terms on the committee were Turner O. Houston, assistant secretary of Peninsular Life; Daniel A. McCabe, general manager of the claim department of Prudential; L. L. Phelps, assistant vice-president of North American Life of Chicago, and Samuel B. Reed, assistant secretary of Connecticut General.

Three Insurers Allowed Use of AEC Information

Atomic Energy Commission has issued permits to American Casualty, Mutual Service Casualty and Fidelity & Guaranty for access to restricted data for use in the civilian atomic energy industry.

Mariners Club of Cleveland Members were guests of Lea C. Hinsley for a clam bake at his Avon lake cottage.

Richmond (Va.) Assn. of Insurance Agents heard a report on the current session of the state legislature by C. F. Hicks, assistant state attorney general, at the Sept. 25 meeting in the Downtown club.

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EDITORIAL COMMENT

An Unusual Advertisement—A Fine Gesture

The advertising and editorial divisions of this magazine are clearly separated, and each functions in its own domain. But on this occasion the editorial department is impressed by an advertisement and is pleased to use an editorial to say so.

For in this issue appears one of the most unusual advertisements THE NATIONAL UNDERWRITER has published in its entire career of more than half a century. This is the personal appeal of George J. Stewart, president of Stewart, Smith & Co. of New York, for contributions from the insurance business to the New York School of Social Work.

The school is one of those endeavors, which, like a beneficent element, can have nothing added to its quality by anything, including words; and in any event Mr. Stewart's pages quite effectively describe it, what it does,

and the help it needs.

But Mr. Stewart's serious and handsome effort on behalf of the school is of a character to attract wide interest. Mr. Stewart is actively engaged in business in England and America. He has, so to speak, a foot on each side of the Atlantic. His warm sponsorship of a fine American institution which is doing a remarkable lot of good might appear even more unusual if it were not for the fact that the aura of that institution is also international in reach and influence.

Once in a while an incident occurs which emphasizes the common human character of this business, a business whose product is so much comprised of the kind of men and women who operate it. This is such an incident because it expresses one man's fine purpose to call attention to an activity that appeals to the heart.

Spotlight on Illinois

We offer sincere congratulations to the St. Louis Post-Dispatch for printing the information its staff correspondents have been able to gather about the Illinois insurance department and George Barrett.

Insurance men and department officials throughout the country have been appalled by the situation in Illinois, but they have kept their opinions to themselves. It was felt no good would be done the cause of state regulation to air the dirty linen from Illinois, and beyond that the companies knew they had to get along with Mr. McCarthy, a procedure difficult enough under "normal" circumstances without adding to the problem by airing statements which could invite complications. While insurance people, for these and other reasons, would not initiate publicity concerning the Illinois department, we are sure they welcome it now that it has been developed by an outside source. Many insurance men have said in private that they would like nothing better than to see some comments about Mr. Barrett and Mr. McCarthy out in the open.

There is practically nothing in the Post-Dispatch articles that isn't known to nearly every insurance man in Illinois and many more across the country. It has been a sort of open secret. The only previous break of publicity was the suit seeking an increase in

automobile rates filed by National Bureau of Casualty Underwriters, and this was treated "straight" by the daily and trade papers. Even when the department appealed after losing an open and shut case, the matter hardly received notice although it was an obvious political maneuver of the lowest caliber. It was a demonstration beyond any doubt of the bad faith of the department in handling the entire auto rate problem. Having lost a decision in which the court said that "the least that should be expected of the director when he does disapprove is that he make some finding on positive evidence . . . which shows no justification for the increase. I have dug through the evidence here and I can't find upon what basis the director can say the rates are excessive," the department filed an appeal and got the issue kicked over until after the elections.

The patience and fortitude of the National Bureau throughout the auto rate hearings and the appeal has been amazing. Here was a situation deserving loud squawks and the full-time efforts of a publicity man, but the companies decided to play out the string and hope for the best. The bureau people were reluctant to bring the case out in the open, believing, perhaps, it would do them more harm than good in getting the matter settled satisfactorily. Mr. McCarthy has said

all along he wanted more information before allowing rates to go up, and that could be made to sound as though he was protecting the policyholders. It is never popular to wage a publicity campaign for higher costs of anything.

In the ranks of National Assn. of Insurance Commissioners, Mr. McCarthy has been the man who isn't there. He hasn't even presided at meetings of committees of which he is chairman. He shows up in the same city when NAIC holds a convention, but very few commissioners or company men have a chance to talk to him. The commissioners have had quite a time trying to accomplish anything with Illinois. Dealing with the Illinois department under Mr. McCarthy has been a frustrating experience for anyone who has tried it.

Mr. McCarthy has not been a seeker of publicity. He has been modest and retiring, always in the background, hard to approach, difficult to know. This is strange in a public figure holding a responsible position. All that has happened during Mr. McCarthy's administration as director of insurance of Illinois should be given its proper credit in the press, and we hope some of the insurance people who might have something interesting to say about Mr. McCarthy and/or Mr. Barrett will transmit their information to the proper parties and aid in the cause of seeing that these gentlemen get whatever glory they deserve.

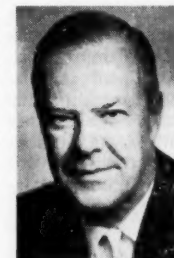
ther's agency in 1897. He was president of Ohio Assn. of Insurance Agents in 1932.

The agency, now known as Walter J. Kountz & Son, was established in 1877, and has represented Royal-Liverpool group for 80 years and Home for more than 50 years. Mr. Kountz is still active in the agency, and his son, John Kountz, is a partner.

The three principals involved in the merger of Pacific Coast operations of Marsh & McLennan and Cosgrove & Co. are Prescott H. Kelsey, Willard W. Keith and John T. Collins. Mr. Kelsey is vice-chairman of Marsh & McLennan and will be president and chief executive officer of the northern California, Oregon and Washington operating companies of the newly merged firm of Marsh & McLennan-Cosgrove & Co., Inc. Mr. Collins, president of Cosgrove & Co., has been named chairman of the northern California, Oregon and Washington operating compa-



P. H. Kelsey



W. W. Keith



J. T. Collins

PERSONALS



The new secretary of American Insurance Assn., **John F. Neville**, left, with his predecessor, **James D. Erskine**, who is retiring after 43 years in the insurance business.

Walter J. Kountz, local agent at Toledo, will celebrate his 60th year in business Jan. 1. He started in his fa-

nies, and Mr. Keith, formerly president of Cosgrove & Co., is president and chief executive officer of the southern California and Arizona operating companies.

M. L. Landis, recently elected president of Society of Chartered Property & Casualty Underwriters, is counsel for Central Mutual of Van Wert. He has been a member of CPCU's central district board of directors and has served as vice-president since 1954. Mr. Landis is active in many insurance organizations and is a member of the board of Mutual Insurance Committee on Federal Taxation, a member of the administrative board of the Charles W. Griffith Memorial Foundation for Insurance Education at Ohio State university and Chairman of the fire insurance law committee of the American Bar Assn.



M. L. Landis

The NATIONAL UNDERWRITER

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Assistant Editors: John B. Lawrence, Jr. and Walter C. Crocco.

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BOSTON 11, MASS.—207 Essex St., Rm. 421, Tel. Liberty 2-1402. Roy H. Lang, New England Manager.

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PHILADELPHIA 9, PA.—123 S. Broad St., Room 1027, Tel. Pennypacker 5-3706. Robert I. Zoll, Middle Atlantic Manager.

SAN FRANCISCO 4, CAL.—582 Market St., Tel. Exbrook 2-3054. A. J. Wheeler, Pacific Coast Manager.



DEATHS

WADE FETZER, 76, an outstanding leader in the casualty insurance business for more



Wade Fetzter

than 40 years, died of a heart attack at Hinsdale, Ill., hospital. He was chairman of W. A. Alexander & Co. general agency of Chicago, and had been with the organization for 59 years. He was the founder and first president of National Assn. of Casualty & Surety Agents, and a leader in developing retrospective rating for workmen's compensation insurance. At one time he served in a dual capacity of president of W. A. Alexander and Fidelity & Casualty.

Mr. Fetzter moved to Chicago from his home in Ottumwa, Ia., in 1897, at the urging of his older brother, to take a job with the 12-year old agency of W. A. Alexander & Co. He started as a cashier, becoming head bookkeeper two years later. In those early years Mr. Fetzter was not anxious to become an insurance man. He had come to Chicago reluctantly and was considering leaving the business. However, he decided to make the best of it, and he learned his job so well that he was asked for advice by salesmen and others in the office.

In 1901, Mr. Fetzter was promoted to salesman, specializing in employers' liability. Even though his career was interrupted by a siege of tuberculosis, he did so well that by 1903 he was offered \$12,000 a year to join Harry Marsh, who later founded Marsh & McLennan. The upshot of this offer was that Mr. Fetzter was made a managing partner of Alexander & Co. shortly before he was 24 years of age.

As workmen's compensation laws were enacted, a number of the companies announced commission reductions on the line, on the theory that the coverage was almost compulsory. Mr. Fetzter contacted a group of large producers across the country, and at a meeting in New York in 1913, they organized National Assn. of Casualty & Surety Agents with Mr. Fetzter as the first president. This group met with the company leaders in Chicago and after three days of discussion the WC commissions were restored to their former level.

When Fidelity & Casualty became a part of the America Fore group in 1929, Mr. Fetzter was offered the presidency provided he would sever his connections with Alexander & Co. Mr. Fetzter refused to leave Alexander, and the offer was repeated with the provision that he could remain as the head of the agency. Mr. Alexander, then chairman of the agency, commented that F. & C. figured "half of Wade Fetzter is better than all of any other insurance executive."

During the time he acted as president of the agency and the insurer, Mr. Fetzter commuted weekly between Chicago and New York, but it was too much for his health and he had to resign as president of F. & C., although retaining the post of vice-chairman and a directorship.

Mr. Fetzter is credited with producing one of the major solutions of the problem of workmen's compensation losses in the early '30s when he suggested retrospective rating as a cure.

He became president of Alexander &

Co. when it was incorporated in 1927, and in 1944 he moved up to chairman, turning the presidency over to his son, Wade Fetzter Jr. There had been no chairman of Alexander & Co. from 1935, when Mr. Alexander died, until Mr. Fetzter moved into the position.

Mr. Fetzter was an insurance leader throughout most of his career. He was one of those primarily responsible for the growth of W. A. Alexander & Co. to its present stature, and his prominence in the casualty business was based on his abilities and energy, even though he fought almost a constant battle to maintain his health.

In January of this year, Mr. Fetzter was awarded a trophy by the Union League club insurance group for "outstanding accomplishments and contributions to the insurance industry."

He is survived by his widow, Margaret; two sons, Wade Jr., and Dr. John C. Fetzter; two daughters, Mrs. Margaret Sherman (whose husband is a vice-president of Alexander & Co.), and Mrs. Mary Jane Bryant, and 11 grandchildren and 12 great grandchildren.

FRANK C. McAULIFFE, 68, chief of the fire insurance patrol of Chicago

Board of Underwriters, died at Presbyterian hospital. Chief McAuliffe, who had been ill for the last two years, entered the hospital only a few days before his death. He was a member of one of Chicago's best known fire fighting families and was well-known and respected by those in the fire insurance business. Chief McAuliffe began his career with the Chicago Fire Department in 1907 as assistant engineer of a horse-drawn steamer. He was a member of the first rescue squad developed by the department in 1912 and organized the department's first tower company in 1922. He was promoted to lieutenant in 1915 and captain in 1920.

In 1915, Chief McAuliffe received the Lambert Tree gold medal for bravery for having climbed to the top of a 36-foot ladder and using his body as the necessary remaining length of ladder to allow the escape of two women and a man, who were about to jump from a burning building. He was cited on four other occasions for rescue work. He rose to the rank of captain with the Chicago Fire Department and held the rank of battalion chief on leave after joining the fire insurance patrol in 1924.

Under the engineering standards committee of National Board, Chief McAuliffe surveyed insurance patrols throughout the United States from 1925 to 1935 with the purpose of improving methods of operations of salvage corps in nine cities. During that same period he wrote a number of booklets for Chicago Board, ranging in topics from fire hazards in industry to studies on the organization and implementation of modern fire fighting methods.

In 1945, Chief McAuliffe served on a special government mission to assess damage caused by American bombs in Europe. He was elected president of International Assn. of Fire Chiefs in 1947 and later served with the technical division of the Office of Civil Defense Planning.

Chief McAuliffe's father, the late Jeremiah J. McAuliffe, was a 1st dep-



Frank C. McAuliffe

uty fire marshal. Other fire fighters in his family are his brother, Jeremiah, retired chief fire marshal; and two sons, Jeremiah, marshal of the 1st division, and Frank a captain in Engine Company 1.

WILLIAM W. SAMPSON, 58, manager of South Eastern Underwriters Assn., died at his home in Atlanta. Mr. Sampson was elected manager of SEUA in 1946. He began his insurance career with the Oklahoma Inspection Bureau in 1919 after service in World War I. In 1924, he was sent to Mississippi for test rate work purposes in organizing the Mississippi State Rating Bureau and became chief inspector in 1926. He was later named superintendent of auditing and became manager of the bureau in 1936.



W. W. Sampson

ROBERT V. AHERN, 65, secretary of Hartford Accident since 1948, died at home in Wethersfield, Conn.

Mr. Ahern entered insurance in 1909 as an underwriter with Aetna Casualty. He joined Hartford Accident in 1914 and organized its automobile underwriting division, later advanced to superintendent of the automobile department, assistant secretary, and secretary.

JOHN J. ROGERS, 82, local agent of Stoughton, Mass., for 52 years, died suddenly in his home there. He was a member of the town's first board of health and was an original member of the town manager's committee

which selected Stoughton's first manager.

LLOYD A. WHEELER, 58, New York City insurance broker for 30 years, died in his home at River Edge, N. J.

EDWARD J. SISLEY, 83, senior partner of the New York brokerage firm of Sisley & Brinkerhoff, died in his home at Woodcliff Lake, N. J. Prior to 1917 he was with Travelers.

WALTER L. SHELTON, 68, local agent of Winona, Miss., died in Greenwood Leflore hospital, Greenwood, Miss., after a long illness.

THOMAS E. MUELLER, 63, a St. Louis broker since 1944, died of a heart ailment at St. Mary's hospital there.

\$100,000 Insured Loss in Rome, N. Y., Fire

Total insured loss in a fire that swept through the three-story Lerman Furniture Store warehouse in Rome, N. Y., Sept. 19 was estimated at \$100,000. Cause of the blaze was undetermined.

The building was insured for \$150,000 and the contents for \$80,000. The store also carries a \$72,000 business interruption policy and a \$12,000 central value form.

Brokers Buy Group Life

General Insurance Brokers' Assn. of New York has purchased a group life plan to cover members and office personnel, effective Sept. 15. The plan affords a maximum of \$5,000 life cover with broad form disability benefits plus waiver of premium and conversion privileges. The enrollment period will end Oct. 15. Physical examinations will be waived until that date.



Nation-Wide Multiple Line Plus

- REINSURANCES
- HIGH RATED AND/OR SURPLUS LINE FIRE
- REPLACEMENT COST (ANY SITE)
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- BURGLARY
Interior, Exterior, Robbery
- OVERAGE ACCIDENT
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ALL UNUSUAL RISKS

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Continental Casualty Stockholders to Vote on National Fire Purchase

A special meeting of stockholders of Continental Casualty has been called for Oct. 17 to vote on the proposal to have Continental buy stock of National Fire on an exchange plan. Directors of Continental are suggesting approval of the purchase, which would require that Continental issue new shares. Continental's offer is to give 1 1/4 shares of its stock for each share of National,

and if all of the 500,000 outstanding shares of National are exchanged, Continental will have to issue 625,000 new shares, but the company proposes to issue only as many new shares as will be necessary to provide for the acceptances of the exchange offer. Stockholders will be asked to approve an increase in Continental's capital from \$12 1/2 million represented by 2 1/2 million shares of \$5 par to not more than \$15,625,000 represented by not more than 3,125,000 shares of \$5 par.

If the plan becomes effective and the affiliation of National with Continental

is consummated, it is contemplated that National Fire will continue its corporate identity and will maintain its administrative offices, including the investment division, in Hartford; President E. H. Forkel will continue as chief executive officer of National and will be elected a vice-president of Continental, and Continental will have representation on the board of National, with Roy Tuchbreiter, chairman, and J. M. Smith, president, becoming chairman and vice-chairman, respectively, of National Fire.

Casualty Adjusters of Chicago Hear Views on Cook County Courts

The crowded condition of calendars in the circuit and superior courts was called "a scandalous situation from the social point of view, to say nothing of the litigant's point of view" by Judge Harry M. Fisher of the circuit court of Cook county. Judge Fisher addressed the first fall meeting of Casualty Adjusters Assn. of Chicago.

"Courts, especially in Illinois, have always been treated as step-children of the government," he said. "Illinois courts get only \$3 million of the \$20 million biennial budget. If there were no administrative mechanisms and no cooperation from the bar and from those litigants who have a large number of cases each year, the courts of Cook county would be 20 years behind in their work because of the lack of judges. Even if the judges were available, there isn't enough money available to provide ordinary court rooms for holding jury trials," he said. "The only thing that makes it possible for the courts to function efficiently at all is the tradition in Cook county of pre-trial settlement."

Judge Fisher said there were 8,100 court cases in circuit court last year, of which 6,500 were personal injury cases in which juries were demanded. Only 1,000 were assigned to trial judges, 550 were settled before the juries were called, 322 were settled after the juries were selected and some evidence had been presented and 128 cases went to verdict. He urged a greater number of pre-trial settlements. He said that because of the insurance companies' thousands of cases a year, it is in their interests to see that the courts maintain the dignity, respect and confidence of the community. He said the end result is that cases are usually settled anyway, so why not settle them as early as possible after they are commenced.

Judge Fisher said insurance companies have considerable influence in the legislature and asked that they lend the courts "part of this influence to liquidate conditions which scandalously affect the integrity of the institutions which administer justice in the community."

He also asked support for the amendment which would reorganize the courts of Cook county and said under the provisions of this proposed unified court system, calendars could be made current in less than two years. The flexible provisions of the system would allow courts to maintain current calendars, he said. Judge Fisher criticized insurance companies, charging that they are unfair to their lawyers by not providing reasonable fees for services. He said this fault contributes to a lack of early settlement. He also suggested that adjusters or lawyers ought to have the discretion to settle cases in which settlements are \$2,000 or under. He said 80% of the 6,500 personal injury cases in Cook county last year were for claims under \$2,000, and added that he doubts whether 500 of the 6,500 cases brought settlements of \$5,000 or more.

The association, in a brief business meeting, accepted the membership of Mid-Union Indemnity of Elgin.

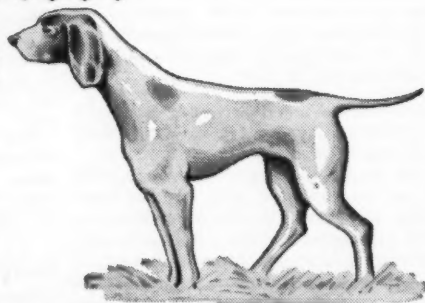
Mountain Club to Inspect Vt. Town

Mountain Insurance Field Club will participate in an all-day inspection of Springfield, Vt., on Sept. 26. Robert Eno, special agent of Hartford Fire, is chairman of the club's inspection committee.

HERE'S A VALUABLE POINTER...

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*We are pleased to announce
the merger of our Pacific Coast organizations.*

*Hereafter our offices in San Francisco, Los Angeles, Portland and Seattle
will operate as*

MARSH & McLENNAN - COSGROVE & COMPANY, INC.

as will the Vancouver office of Cosgrove & Company, Inc.

*Through the combined operation and ownership the entire facilities
of both organizations are available to all of our clients.*

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Insurance Brokers

CONSULTING ACTUARIES • AVERAGE ADJUSTERS

Boston Sets Up New Regional at K. C., Mitchell in Charge

Boston has opened a new multiple line regional headquarters in the Cities Service building, 3435 Broadway, Kansas City. Gene V. Mitchell has been named regional manager and will supervise all phases of the companies' operations in Kansas, Missouri and Oklahoma. He joined the company in 1951 as manager at St. Louis.

Other field assignments for the new region include C. Don McCormack, state agent in St. Louis; Gurn Price, state agent in Missouri; James R. Patterson Jr. and Homer A. Bunce, marine and casualty state agents, respectively, for the three-state region; Durwood E. Parry, state agent in Oklahoma City, and Kirk M. Bellows, state agent in Kansas at Topeka.

Sees Compulsory as Solution in Md.

Contending that Maryland's present financial responsibility law is failing to do an efficient job, State Sen. Thomas F. Dempsey, Baltimore Democrat, has urged its replacement by compulsory automobile insurance. Mr. Dempsey is chairman of the legislative committee investigating proposed solutions to the financially irresponsible motorist problem.

Figures from the state motor vehicle department show that about 14,000 licenses are being revoked annually for financial responsibility violations, but of these only 500 are being reinstated by persons securing insurance, he said.

As to the remaining 13,500, Mr. Dempsey does not feel that they are staying away from the car just because they are suspended. Some are driving on bogus credentials, and many are driving with no license at all.

Mr. Dempsey feels that a system of compulsory such as is now in operation in Massachusetts, could work effectively in Maryland, and he considers the New Jersey unsatisfactory judgment fund inferior.

John H. Dear Jr. has been appointed advertising manager of the southeastern zone of Allstate, with offices in Atlanta. He has been public relations and advertising director of Citizens & Southern National Bank of Atlanta.

Add Two Courses to Michigan State Agent Education Program

The 1956-57 insurance educational program at Michigan State university, mailed to agents and field men recently, provides for 30 insurance institutes, including two new courses, one on advanced sales and another on fire and casualty rates, rules and practices.

Under the direction of Carl Strong, the Michigan State insurance training courses utilize field men as instructors to teach both fundamental and advanced training on all phases of agency operations.

Sponsoring and cooperating in the program with Michigan State are Michigan Assn. of Insurance Agents, Michigan insurance department, Michigan Fire Underwriters Assn., Grand Rapids Surety & Casualty Assn., Michigan State Office for Vocational Education, and Michigan advisory committee of Assn. of Casualty & Surety Companies. Most of the courses are conducted on the MSU campus, but there are classes scheduled for Marquette, Michigan, Jackson, and Detroit. In addition to the two new courses, there is instruction in basic property and casualty, agency operations and sales, basic life insurance, and office procedures.

F. & D. Names Blondell Chief at Tampa, Fla.

Fidelity & Deposit and its affiliate, American Bonding, have opened a service office in Tampa, Fla., under the direction of E. B. Blondell Jr. The new office represents an extension of the facilities of the companies southeastern headquarters in Atlanta.

Mr. Blondell has been with the company since 1949, and served in the home office prior to his appointment to Kansas City several years ago.

Motion in D. C. Deviation

WASHINGTON—District of Columbia corporation counsel has moved in the U. S. appeals court that Washington Rating Bureau be eliminated as a defendant in the suit contesting the North America deviation, on the ground that the bureau is an unincorporated society which can neither sue nor be sued. The motion is due for argument in October.



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IT'S THRIFTY TO COMBINE AND SAVE

A Homeowners Policy gives you more protection in one policy than is obtainable in 4 or 5 single policies — and at savings up to 20%.

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BOSTON INSURANCE COMPANY

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KURT HITKE & COMPANY, INC.

NATIONWIDE INSURANCE SERVICE

GENERAL LIABILITY—TAXIS—TRUCKS—BUSES—FINANCIAL RESPONSIBILITY—SURPLUS LINES



NAIA Winds Up 60th Annual Convention

(CONTINUED FROM PAGE 1)

native to the threat of compulsory automobile insurance in most states. A resolution adopted at the midyear meeting in Hartford asked the companies to supply uninsured motorist



Louie E. Woodbury



Robert L. Maxwell

cover as offered in New York, but the agents received no reply from the insurers. Mr. McKown pointed out that since some of the companies have expressed favor for unsatisfied judgment funds, which NAIA opposes, NAIA should reiterate its position.

The McKown motion called on the companies collectively or individually if necessary to provide a form of UM coverage, thereby putting the agency system on a par with competitors.

The concern of agents over having an alternative to compulsory and meeting the competition of Allstate, which already is offering UM coverage in many states, was reflected when a hurry-up conference was held with representatives of National Bureau of Casualty Underwriters to learn whether the bureau companies planned to make UM available. A committee headed by Howard N. Fullington of Wichita, chairman of the casualty committee, met with William Leslie, general manager, and Elmer Twaits and William Brewster of the bureau staff. The bureau indicated, Mr. Fullington reported, that the family automobile policy was on the agenda of the automobile rating committee which was scheduled to meet in New York the day after the NAIA convention closed. The bureau people had no information as to what action the companies might take on UM.

Mr. Fullington said that the agencies informed the bureau that they felt they needed a product as good as Allstate's. It was arranged to have NAIA representatives appear before the auto rating committee, and Mr. Fullington arranged to meet a day later in New York with National Automobile Underwriters Assn. to go over the physical damage coverages, which are involved in the current competitive maneuvering.

Mr. Fullington expressed the belief that the task assigned his committee will take a little time, but he hoped it would not take the usual amount of time. Charles A. Dawson of Fargo pointed out that it would not be necessary for the companies to reprint all of their contracts, that UM can be added by endorsement without spoiling the vast number of family auto contracts already made up.

The disposition of agents to treat the companies with respect and consideration was reflected in the fact that Mr. McKown's original motion, which he admitted he drew up in a hurry, lost because of the criticism it directed toward Assn. of Casualty & Surety Companies. The original motion would have put NAIA on record as considering UJF as a "weak and unheroic alternative to compulsory." The original motion also expressed "encouragement

to independent companies, and independent-minded companies, to make the coverage available irrespective of the attitude of Assn. of Casualty & Surety Companies and or the National Bureau of Casualty Underwriters."

Even on a revised motion there was some objection to the reference to individual action by companies in providing UM. Ralph Callister of Salt Lake wondered if this suggestion that the companies act independently and disregard the position of Assn. of Casualty & Surety Companies were a good idea. Paul Jones of Tucson said he was a strong organization man, that the NAIA is an organization itself and that calling on companies to provide UM individually if necessary would be improved if the "if necessary" were removed from the motion.

An amendment to strike the "if necessary" lost on an argument by William L. Kline of Hutchinson, Kan., Harrison P. Sargeant of Seattle and others. Mr. McKown pointed out that each company member of Assn. of Casualty & Surety Companies is free to make independent filings, and that some companies belong to the association and not to National Bureau. Mr. Sargeant said bureau companies in his territory write less than 30% of the business. Most of the business written by NAIA agents in that area is placed in independent companies.

Directors also adopted a resolution reiterating its opposition to the licensing of salaried company employees if such licensing is used for production of business for the employee's private account.

The resolution authorizing the appointment of an advertising committee to set up specific plans for an advertising campaign to meet the direct writer problem empowers the committee to study and have a full report by the 1957 mid-year on the type of advertising most suitable, costs, contribution agents can expect from companies and membership, and ways of financing a major national program.

The board also authorized distribution of the ruling of Commissioner Larson of Florida on group plans.

On representation to the U.S. Chamber of Commerce, directors authorized the NAIA executive committee to review and act on all questions submitted by the chamber to its members. If not practicable for the executive committee to meet at the proper times, the president and vice-president of NAIA are empowered to act.

At Continental Assurance headquarters — M. B. Simms, Chicago, superintendent of agencies; T. C. Auld, general agent, Trenton, N. J.; Charles Sullivan, Huntington, W. Va.; D. A. Carr, general agent, New York.



Porter Ellis of Dallas, past president of the Texas association and formerly a member of the NAIA property committee, was appointed a member of the executive committee.

Arthur L. Schwab of Staten Island suggested a group of agents might meet with several companies known to favor UM and get them to go along by providing it. Quick action is needed in some states, notably Illinois. The thing to do is to get it moving in those states where it is most needed.

The report of the NAIA special automobile committee by Joseph A. Neumann of Jamaica, N. Y., past president, brought the automobile matter into focus. Mr. Neumann gave the background of why agents finally have concluded that they need an insurance alternative to compulsory. He said that American Insurance Assn. had determined that the subject should not be placed before the membership of that group. Agents then referred the matter to Assn. of Casualty & Surety Companies, but did not have a reply. Later on the latter association indicated its inclination toward UJF.

Mr. Neumann reiterated the agents' objection to economy auto plans. He pointed out that these plans, which offer the agent a 40% reduction in commission, do not eliminate the accounting work of the agent.

The suggestion by John C. Stott of Norwich, N. Y., past president and chairman of the public relations committee, that an advertising committee be established and authorized to set up specific, detailed plans for an advertising campaign to beat the direct writer problem met with wide approval. The committee was authorized, and members of the board expressed strong interest in seeing that a program is articulated promptly. Morton V. V. White of Allentown, Pa. said he

had found among agents at the convention a wide interest in seeing something done in the way of advertising at almost any reasonable price. Others spoke in similar vein, including Mr. Jones and Mr. Kline. Mr. Sargeant suggested that agents get companies to use the new NAIA insignia in their national advertising.

In Washington, Mr. Sargeant said, the association's members are criticizing the executive committee because they believe that the advertising ought to bring customers in the front door of the agency. He was pessimistic about agents contributing to the suggested national program. Advertising is a state problem, he said, and he does not think it will work on a national basis.

Paul Avery of Granby, Conn., said his association has proved that advertising can be effective. In that state the assessment was on local boards, and agents have spent more than \$50,000 in two years. Such a program can be accomplished on a national basis if it is a good one.

Mr. Dawson suggested that the advertising committee might use the \$75,000 or so that is left in the old PR fund of NAIA. Mr. Ross said he did not know how much this fund was exactly, but agreed that it might be made available for prompt action.

B. Franklin Knapp of Fresno said the California association has 103 local boards, and that many of them spend big money to hire local advertising advice and put programs into effect. All of them need direction, and if services and advice were provided on a national scale, considerable duplication of effort could be eliminated.

Mr. White said he could remember when NAIA raised \$300,000 for PR, by the painful assessment method. But he has come to believe that co-operating companies can be found to effect a program.

Walter E. North of Bridgeport, president of the Connecticut association, said that agents ought to dictate the advertising policy and, while they can hope the companies come in, essentially agents must do the job on their own.

One resolution called attention to the fact that direct writers are entering the dwelling field, that the method of underwriting this business is being subjected to change as certain forms of package policies give recognition to values of property, etc., and that companies should make a full study of the records of this business and its underwriting results so they can take what preventive action is necessary before it is too late.

This resolution stemmed from a discussion of the new graduated rate schedule on dwelling properties in Texas at the state directors meeting. After H. E. Munz of Paterson, N. J. had read the report of the property



R. A. Brown, Waterloo, Ia.; Mrs. Brown; Mrs. E. S. Ulrich, Des Moines; Mr. Ulrich, secretary Iowa Assn. of Insurance Agents; Mrs. W. C. Brunk, Ottumwa; Mr. Brunk, past Iowa president.

insurance committee, President Ross said that references to this schedule had been purposely omitted and asked Marion Sanford of Lubbock, Texas association president, to describe the plan. It originated with the companies, Mr. Sanford said, but the Texas agents accepted the idea wholeheartedly. Later the companies backed away from it, and the agents initiated the filing through the board of insurance commissioners. It was scheduled to become effective last August, but was postponed for further consideration of discounts and breaking points.

Essentially, Mr. Sanford said, the plan recognizes that the loss ratio on dwellings which are insured for small amounts is very high and that on larger amounts of insurance is extremely favorable. Unless the schedule is altered to take this into account, any selective underwriter can cut dwelling rates tremendously and make a profit by concentrating on the top risks, leaving agents and their companies with nothing but the dregs. The Texas plan avoids coinsurance, basing graduated discounts solely on the amount of insurance carried.

Mr. Sanford's discussion touched off many comments pro and con. Mr. Munz gave many objections to it, including the difficulty of administration, the responsibility of the insurance business to provide protection on low cost homes as well as expensive ones and the possibility of a bad political reaction, since this in effect amounts to charging a poor man a higher rate than a wealthy one. He also discounted the competitive effect, saying there is nothing to keep independent insurers from adopting it. M. J. Hartson of New Orleans admitted he personally does not like many features of the Texas proposal, but he strongly backed Mr. Sanford's ideas, saying that agents and their companies will soon find their dwelling business in the same position as automobile insurance is now if they do not take the initiative. Mr. McKown expressed similar sentiments, pointing out that already Allstate has announced a \$5,000 minimum dwelling policy. Some agents, including Mr. White, felt the problem is a local one and should be handled at the state level, and others thought more time was needed to study both sides.

Discussing the group insurance problem, Cooper Cubbedge of Miami reported that Commissioner Larson of Florida has just ruled that the department will not approve any rating plan or form which provides any preferential rate or form based on any fictitious grouping of persons, firms or corporations by way of membership, license, franchise, contract, agreement or any other means. The ruling excludes A&S. Mr. Cubbedge suggested

L. E. Woodbury, Wilmington, N. C., new NAIA vice-president; Mrs. Woodbury and their son, Eugene, a student at University of North Carolina.



that a copy of the Larson ruling be furnished to other state associations. He said that insurance on groups without common ownership will continue to grow unless they are stopped by positive action.

H. Earl Munz of Paterson, N. J., chairman of the property committee; Archie M. Slawsky of Nashua, N. H., and Maurice G. Herndon, manager of the Washington office, discussed flood insurance developments.

Mr. Slawsky pointed out that Congress and producers are concerned with the public interest so that great care must be taken to get a plan of handling flood insurance under which the producer can continue to do the kind of public relations job that he long has done. He said the producer may be blamed by a disappointed claimant. The agent may not be able to deliver a loan with the insurance, he may not get enough to pay his out of pocket expenses, etc. He suggested it was unfair to ask the producer to carry out a plan in the devising of which he had no real voice.

President Ross, who was presiding, read a letter from Stock Company Assn., which handles insurance on properties repossessed by Federal Housing Administration. The letter commended NAIA on its success in getting a self insurance proposal eliminated from FHA legislation in the last session of Congress.

Archie M. Slawsky of Nashua, N. H., executive committee member, reported to directors on appointment of company employees as agents. One company closed an agency owned by the company's salaried employees, which was evidence of this company's sincerity of intent.

The licensing of salaried employees has gone on for many years, Mr. Slawsky noted. Many companies had not made definite policy statements prohibiting this practice prior to this year. He said he had avoided the temptation to follow tangents, such as the practice of company employees

buying insurance on a net basis; company employees countersigning policies, or of a few agency companies accepting business from employees of direct writers.

He said there has been no explicit statement of NAIA policy on this subject and suggested it is time to confirm that NAIA is opposed to the practice of the licensing of salaried company employees by their employers or others.

All of the sessions of the convention were well attended but particularly the working sessions. In addition, the breakfasts got good attention. About 175 were at the metropolitan agents' early morning affair over which E. O. Stoffels of Chicago presided.

It is obvious that the attempt to solve today's problems simply by wholesale price reduction and by broadening policy forms can give only temporary relief and will ultimately lead to chaos, Wayne Van Orman, New York attorney, told the metropolitan agents.

The dangers of inadequate rates hold for casualty as well as fire, he said. In fact, the danger inherent in the situation is greater in the casualty business than in the fire business because any attempt to justify lower rate structures may lead to in-

adequate claim reserving as the most flexible of the unknown costs.

This is a problem which affects companies as well as agents, he said. It will not be solved by throwing the ball back and forth between. For example, to put the total burden of price reductions on the agent by paying smaller commissions is not a complete answer. Contrarywise, for the agent to expect the companies to absorb the total reduction in income is unrealistic. There must be a renewal of conferences between all segments of the capital stock insurance business on a statesmanlike level similar to those which followed the SEUA decision. The emergency is no less compelling, he declared.

Mr. Battles, the new president, has been in the business since 1936 when he entered the firm of R. A. Rowan & Co., where he manages the insurance department. He is a past vice-president of Insurance Association of Los Angeles, and president of the California association. He became a member of the executive committee of NAIA in 1952 and has served continuously since then.

Mr. Woodbury, the new vice-president. (CONTINUED ON PAGE 32)



At southern agents territorial conference: J. P. Walker, Augusta, Ga., vice-chairman; F. R. Bell Jr., Charleston, W. Va., chairman; R. S. Brantley, Raleigh, secretary.

45

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Mutual Leaders Explore Sales Possibilities

(CONTINUED FROM PAGE 3)

is "to do research on your own company's experience in starting agents from scratch."

He said in recruiting agents from those who do not now own an agency, the chance of developing a loyal agent is very good. He suggested not recruiting the established agent unless he does not have the facilities offered by the recruiting company.

"The best source for recruiting today, however, is the 'died-in-the-wool' stock agent," he declared. "Some of the hide-bound stock agencies are beginning to crack and the independent companies have facilities, rates and assistance to offer them that is very valuable."

During a question period, Mr. Minzey was asked how to get leads for

new agents in a large city. He said that the company's present successful agents are a good source for leads, since they usually realize that there is no objection to having other good agents representing the same company.

Thomas C. Morrill, vice-president of State Farm Mutual Auto, traced the development of what he called "a full-blown marketing revolution in the property insurance business." He said it began in the 20s in the automobile business through price competition in insurance and blossomed into the huge mass market of today.

"It is fair to say that the independent companies have attained a dominating position in the private passenger auto insurance business. So far the great gains have been in the mass markets, serving the insurance needs of the average man and his family. Up to now, progress in serving the needs of business and industry has been modest. What the future will hold in this area, once the mass market needs are met, no one can now predict. Clearly the independent companies will be working from strong, secure bases, backed by great aggregate underwriting capacity."

Mr. Morrill said there is a distinction between the mass market of family buyers and the business market which extends to the property insurance business. He suggested that a system of merchandising insurance through a marketing plan geared directly to serving the individual and the family has a natural advantage over a system that is fundamentally directed toward the much more complex insurance needs of business and industry.

"There is more to the matter than competitive advantage," he said. "There is also the aspect of efficiency—whether an agency staffed and equipped to serve big premium policyholders can afford to use its high-powered talents on small sales."

In relating the mass market concept to advertising, Mr. Morrill distinguished between agency arrangements on the basis of exclusive and non-exclusive representation. He said no other factor so delimits the role of advertising in insurance as exclusive or non-exclusive representation, since no other factor so finally determines the possibility of building a common identity for the company and the agent in the public mind for either sales or service purposes.

"Out of the welding of agent-company identity under exclusive representation," he said, "comes the opportunity for a tremendous dividend—the creation of a company personality. In my company we are deliberately trying to create a distinct personality, so that we can be told apart from competition despite the name complications and similarities that our company confronts in common with many others."

Mr. Morrill reviewed some of State Farm's advertising programs and the

research conducted in connection with them. He said that the company, in cooperation with *Readers Digest*, had tested the magazine's readers before and after running its six-page advertisement. "The pre-ad test showed that 78% of *Digest* readers had heard of State Farm Mutual, while the after-ad test showed the score had risen to 82.7%."

Mr. Morrill praised the American agency system and other principle methods of marketing insurance. "It is not a criticism of any one method," he said, "to suggest that it may not be adapted to meeting all the needs of all the customers, or that one method may have a natural advantage in a particular subdivision of the total market."

R. E. McCombs, advertising manager of Shelby Mutual, outlined results of a survey conducted among conference members on "How much and what kind of cooperative agency advertising have you done?"

Questionnaires were sent to all members of the conference and about one-half of them were completed and returned.

Most frequently mentioned were novelties of various kinds with calendars high on the list. Newspaper advertising was mentioned almost as often but it was not always clear whether the company contributed to the cost of the space, or only furnished mats. Only about a third as many mentioned direct mail as compared to newspaper advertising. Road signs, radio and TV were at about the same level as direct mail.

Some replies mentioned advertising folders or other sales literature but in most cases it seemed to be implied that such material was always available to some extent, he said. Some also mentioned farm paper, trade paper and general magazine advertising but not in connection with cooperative company-agency advertising.

Answers to the question of what share of the cost was absorbed by the company ran all the way from none to 100%, but by far the most frequently mentioned figure was 50%—one-half the cost paid by agents and the other half by the company. In answer to a question on what percentage of agents took advantage of willingness to share in the cost of advertising, Mr. McCombs said the only ones who reported 100% participation had exclusive agency representation. Results were hard to pin down, he said, with no one trying to say definitely just what their advertising had produced in the way of sales although most were sure that it had made some contribution to increased premiums. All seemed to agree that it was good for agency morale and no one favored discontinuance of cooperative advertising efforts. Perhaps the fact made most clear by the replies to the questionnaire is that most companies are looking for better ways to invest in advertising. Because of that fact, Mr. McCombs suggested that the meeting be thrown open for discussion from the floor on four questions relating to advertising: Why? How? When? How Much?

Mr. McCombs, in elaborating on the question of how much, pointed out that advertising expenditures as related to premiums written for the companies which had replied to the questionnaire varied all the way from a low of .13% to a high of 2.86% in 1954. In answering some of the questions raised by Mr. McCombs, one company representative suggested a solution to evaluation of an advertising program was offering a free gift in connection with an ad. He said his company offered red flags to farmers for use on tractors when they

People who get around a bit need this all-risks protection



FEW POSSESSIONS are more prized—or more costly to replace—than jewelry and furs. Better make sure (right now!) that your clients and prospects are reminded about the favorably low rates at which the Jewelry-Fur Floater is written.

Too, that any new items are scheduled, so clients will have the full protection they need. It's too late to do this when uninsured jewelry can't be found or a stolen fur can't be recovered.

While you're about it, suggest

that a Grain Dealers Personal Articles Floater be written to cover not only jewelry and furs but other valuables as well. Or, show how the all-risks forms can be used to round out coverage under the residence packages—at worthwhile premium savings.

P.S. Grain Dealers' inland marine facilities provide the range, capacity, and service you can use to advantage. Talk to our special agents or write the company for full information.

Grain Dealers Mutual

INSURANCE COMPANY

INDIANAPOLIS 7, INDIANA

Western Department: Omaha 2, Nebraska

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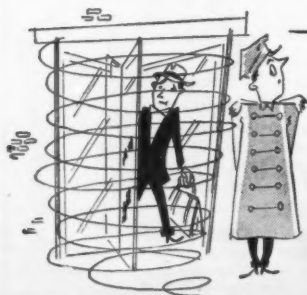
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Going around in circles regarding Agency-Company policy can be a frustrating experience. That's why Northern always says—Northern is an Agency Company . . . first, last and always! Northern Agents know where they're going—their security is our most important consideration.

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FIRE AND ALLIED LINES, AUTOMOBILE INLAND MARINE • REPORTING FORM • FLOATER CONTRACTS
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were driven on highways. The company received 11,000 requests following radio advertising.

In answer to the question of when to advertise, Mr. Wilkinson said his company advertised particular policies at particular periods of the year when they thought they would do most good. He said part of the advertising is directed towards the agent, particularly in new or dormant territories. One of the problems mentioned was how to hit the particular territory where a company needed agents.

One of the representatives of American Farmers Mutual said the company can't afford to establish a company name so it tries to establish an agent and tries to get him identified with the company through the use of direct mail plus personal follow-ups.

Mr. Dickerson said Nationwide Mutual evaluates advertising on the basis of production, up-grading in the caliber of the portfolio and persistency of business in force at the time of a new program. He said the company usually tests an advertising program in a particular area before adopting it on a nationwide basis. He said one of the most important phases of advertising is reaction of agency personnel and the question of whether they will follow up the program aggressively.

Mr. Morrill was asked whether State Farm agents do any of their own advertising. He said 40% of the agents' advertising is assumed by the company.

W. L. Trankle, assistant to the president of Meridian Mutual, discussed his company's experience with incentive programs for agents and field supervisors. He pointed out that a company must provide the every-day means for an agent to make a profit and for him to have pride in the company. "Special programs," he said, "are not substitutes for fair commissions or a salary. They are best used as an answer to specific problems." His company, he said, has used only the merchandise type program. The more important factors which he listed in connection with incentive programs were determining the

objective, what to do about it and deciding how much to spend. He said rules must be clearly stated and be fair to everyone and suggested that the contest be set up so that agents work against themselves rather than other agents. The contest must be well publicized, he said, and the publicity should be prepared in full before the contest starts. He said office procedures in handling the contest prizes should also be established well in advance.

Dr. Carl Strong of the continuing education service of Michigan State University, spoke on "Company Sales Meetings, Planning and Execution."

"The trend in American industry toward marketing and long range planning is being adopted by the insurance industry but will be wasted unless we have a sales force with the know how and ability to sell insurance," according to Otto C. Lee, vice-president of Harleysville Mutual Casualty. "Companies operating under the agency system cannot direct and guide agents as aggressively as those companies which operate on a semi-direct or direct basis. When agents are independent contractors, they are free to place their business with any company of their choosing. Because agency companies cannot be as aggressive or as positive with their agents, I personally feel that most of our sales training should be directed to company special agents, who if properly trained can pass on some of their training and aggressiveness to the agents in their territory."

Mr. Lee said the three basic training methods used in developing agents are direct mail, on the spot training and training centers. Mr. Lee outlined a training program in terms of the letters "P-I-K-E" for planning, industry, knowledge and enthusiasm. He reported that he had made a survey of Harleysville special agents to determine what they believed were the most important facets of the sales training of a special agent. Among their remarks were: A trainee should have a thorough understanding of what he can hope for in terms of both material rewards and the psychic income he can derive from being a professional at his job. More individual time should be devoted to trainee's earlier life with the company, since there is a chance of over-specialization. Training must develop human relations skill. A trainee should have an opportunity to meet and talk with company executives so that he feels he is part of a team and has the incentive to make good.

Mr. Lee, at the conclusion of his talk, passed out 9 x 12 envelopes which he said contained Harleysville's formula for successful selling and successful sales training. Each of the envelopes contained a card upon which was stapled a worn out shoe sole. The caption stated: "Successful salesmen have many of these."

O. C. Griffith, assistant to the president of Shelby Mutual, moderated a panel on "Challenge to Recoup Physical Damage Premiums." Panel members included Joseph V. Brady, executive vice-president of Citizens Mutual Auto; Edward C. Ellis, vice-president of Federated Mutual Implement & Hardware, and William H. Doty of Shelby Mutual.

In setting scene for the panel and audience discussion, Mr. Griffith pointed out that "too much of the physical damage business gets detoured over to some of the large insurers connected with finance outfits." He pointed out that in recent years many companies have had difficulties with automobile bodily injury while fire, theft,

(CONTINUED ON NEXT PAGE)

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MANAGER

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(CONTINUED FROM PRECEDING PAGE)

comprehensive and collision premiums have paid their own way and contributed a commensurate profit. "It is true that no mutual company can afford to just close its eyes and insure anyone for the first-party coverages," he said, "and some of our companies take a dim view of certain conditions they see on incoming financed business. There are cars being bought with absolutely no down payment and deals obviously unwise from the standpoint of the financial solidity of the car purchaser, and many other conditions which require scrutiny and resourcefulness on the part of underwriters."

Mr. Griffith pointed out that one of the largest exclusively auto physical damage writers had an increase of \$3 million in premiums from 1954 to 1955. He said it means that companies such as are represented by the conference

lost many chances to write desirable automobiles for physical damage even though the more hazardous bodily injury and property damage and medical payments insurance may have been retained.

"Obviously, somewhere along the line some of us have failed to enthusiastically enough point to our multiple line facilities as justifying customer patronage of our agents. We have perhaps been too picayune in some of our underwriting practices, and maybe some of our agents have spent too much time sitting in their offices or out on the golf course."

Hudson Agents to Meet Sept. 27

Hudson County (N.J.) Assn. of Insurance Agents will meet Sept. 27 in Hotel Plaza, Jersey City, to hear a discussion of the new family auto policy. The meeting is the first of an educational series planned for 1956-57.

Tells TV Value To Local Agent

At the Tuesday morning session of National Assn. of Insurance Agents meeting last week at New York, which featured advertising and public relations problems of the local agent, H. V. Barrett, New York, sales director television bureau of advertising, said that the use of television by giant national advertisers has led many people to ignore its value in local advertising. Fabulous spectaculars have paid off for big advertisers, but that is because of the inherent personal advertising qualities of TV—not because its use is restricted to huge programs. It need not be expensive and it can be as local as the station itself. He gave several examples of local retailers using once a week programs at local stations with excellent results. The retailer—and this can well be a local agent—can do the commercial himself, getting his personality into the homes of the very people whom he seeks to sell.

Mr. Barrett also struck at the idea that TV can sell only tangibles—not something as intangible as insurance. If it cannot sell ideas, he said, the two major political parties are certainly naive to spend over \$10 million this fall, since fundamentally they are trying to sell only their ideas of government.

Tells of Success of Local Board Ads

At the NAIA advertising and public relations workshop, Sydney A. Deroner described the Essex County (N. J.) association's local board advertising program.

The theme was "the independent insurance agent." The Doremus & Co. advertising agency prepared a series of nine ads, 10 inches high and three columns wide. The cost of the space was \$6,500, and 75% of the members finally agreed to participate on an assessment basis.

The program is being continued through 1956. The advertisements are extremely good, he said. They were written for the agent's use with the cooperation of Atlantic companies. The agency system owes a debt of gratitude to that group preparing these ads, which were first to omit the company name entirely. The group has received more than 200 requests for them and more than 75 agents or agents' associations now are using them.

He urged any agents' association not now using newspaper advertising to look into it. In addition to the Atlantic ads, America Fore has a new series in national publications and is offering them to the agent for use without the company name. There is also fine material available from National Board and a set of interesting ads have been prepared by Dinerman & Co. in Cincinnati.

The ads and help that is available to the agent constitute a step in the right direction, he said, but a lot more can be done by the companies, particularly in assisting agents to do local advertising.

N. J. Fire Rating Unit Elects Four Companies

At the annual meeting four companies were elected members of the governing committee of Fire Insurance Rating Organization of New Jersey for a three-year term. The companies are Phoenix of Hartford, Agricultural, Boston and Royal.

Tells of Success of Aetna Drivotrainer

In a report to the NAIA accident prevention committee at the opening of its annual convention in New York, Stanley F. Withe, secretary of Aetna Casualty, stated that independent research studies have endorsed the new classroom trainer now in use in a number of high schools throughout the country as "a more economical and effective way of teaching youths how to drive."

Two states which provide subsidies to local high schools giving driver training, California and Michigan, have approved use of the Aetna drivotrainer, as a substitute for half the six hours of instruction usually given in dual-control cars, Mr. Withe pointed out. Also many leading insurers permit drivotrainer instruction to be substituted for a substantial part of the on-the-road training required before granting automobile insurance rate reductions to graduates of high school driver education courses. By the end of this school year, at least a score of drivotrainer classrooms will be in operation in high schools throughout the country.

Mr. Withe lauded the Oklahoma City and Dearborn, Mich., agent associations for donating drivotrainer classrooms to their local high schools. Many other agents associations throughout the country are now considering similar gifts.

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Here's an automobile policy that makes selling easy. New broad coverages include everybody in the household, including relatives, living under one roof. For instance the policy covers . . .

- a son or daughter who borrows a car
- a resident relative who borrows a car
- the purchase of a new car
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- the slashing of tires
- policyholder driving a company car

These are only a few examples of the many new coverages of the St. Paul Family Automobile Policy designed to give you, the agent, the best possible opportunity to provide proper coverage for your assureds. Write for complete information.

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BA 154

Cook County Field Men Hear Reports on Anti-Coercion

The progress of anti-coercion measures on a national and state level were discussed at the first fall meeting of Cook County Fire Underwriters Assn. in Chicago.

Ralph M. McCarran, an attorney with the anti-trust division of the U.S. government, discussed the implications of the Investors Diversified Services case, while Frank E. Mueller Jr., past-president of Insurance Brokers Assn. of Illinois, reported on anti-coercion legislation at Springfield, Ill.

Mr. McCarran said complaints about tying-in mortgage loan insurance with casualty insurance had been received by the anti-trust division as far back as 1938. He pointed out that the problem had been over-simplified by many who did not realize that the government could not step into the matter without sufficient evidence and interstate implications. He said the government decided to bring action against IDS because more tie-in complaints had been received against it than any other company and because it operates in some 30 states. The case was brought to trial under provisions of the Clayton act and the Sherman act in federal court at Minneapolis, where the company maintains its home offices.

The consent decree issued by the court prohibits IDS from requiring a borrower to purchase fire insurance on his mortgaged property from any agent, broker or company named or designated by IDS. Even through the decree applied only to IDS and its subsidiaries it was hailed as a highly significant anti-coercion decision.

Mr. McCarran said some of the problems which had arisen since the decree and are not answered in the decree are whether the lender can charge the borrower for substitution of policies for existing policies, whether the lender can refuse to accept policies from mutual companies and whether the lender can refuse to accept policies which cover risks other than damage to the real estate, such as homeowners' or other package dwelling policies.

Mr. Mueller pointed out that although anti-coercion legislation has been passed in some 32 states, there is no such legislation in Illinois. He said the brokers association had sponsored a bill at Springfield for several years and would again do so in the 1957 legislative session. He said he realized that many groups cannot be as positive in their stand on anti-coercion as brokers, since some members do business with lending organizations. He said that other groups can help to eliminate restrictive contracts of lending organizations by obtaining evidence of coercion to support the legislation. Any evidence should be directed to the association's grievance committee or to the department of justice.

Mr. Mueller said some mortgage companies are voluntarily eliminating from their contracts requirements to place insurance with them. He said mortgage associations have requested members to delete restrictions from mortgage contracts, so that he believes any coercion being practiced is by word of mouth and through correspondence. He said the brokers association has offered to work out a compromise bill with the mortgage people but they have taken no action on the proposal.

Excel of South Bend, Ind. has been licensed in California.

NOSKER EMPLOYMENT AGENCY
Insurance Specialists 33 years
Operating in California exclusively
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250 Attend Northwest A&H Sales Congress in Ore.

More than 250 A&H underwriters from the Pacific northwest and Vancouver, B.C., attended the Northwest International A&H Sales Congress at Portland, Ore.

Speakers and their topics were: Commissioner Taylor of Oregon, "The Importance of A&H Insurance"; James R. Williams, vice-president of Health Insurance Assn. of America, "Public Relations"; E. F. Peithman, president of American Guaranty Life, "The Disability Insurance Market Is Still Untapped in the Northwest"; E. J. Coffey, president of International Assn. of A&H Underwriters, "International's Outlook"; Ralph J. Walker, vice-president of Pacific Mutual Life, "Why Accident & Health Insurance," and R. L. McMillon of Business Men's Assurance "Penetrating Oil."

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AVAILABLE

Multiple line casualty man, college, over 10 years experience. C.P.C.U., desires position with young Casualty Company. Familiar with Bureau and Non-Bureau operations, package policies, etc. Chicago vicinity preferred. Address Box P-50, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

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On a General Agency basis for the State of Ohio. Wide acquaintanceship throughout the state with agencies. More interested in Fire than Casualty, prefer deviating Mutual. Good volume of dwelling business. Address Box P-40, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

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A progressive multiple line stock company requires addition of a fieldman in Michigan traveling out of Grand Rapids. Prefer Casualty background. Splendid opportunity in established field. Please give details as to age, experience and salary requirements. Reply Box P-58, c/o The National Underwriter Company, 175 W. Jackson Blvd., Chicago 4, Illinois.

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Unusual opportunity for experienced Compensation and Casualty Underwriter to lead department in growing Branch Office in Indianapolis. Please give full details as to age, experience and salary requirements. Reply Box No. P-60, The National Underwriter Company, 175 W. Jackson Blvd., Chicago 4, Illinois.

DETROIT AGENCY WANTED

Former Fieldman operating own agency interested in buying interest in another agency on any reasonable terms or arrangement. Will pay cash if necessary but prefer setup where owner will remain in the picture. Address Box P-61, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

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Rates—\$20 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER

WANTED: ASSISTANT EDITOR

If you are in the Fire and Casualty business and have some talent for writing, we need an editorial assistant at the head editorial office in New York. Man 30 or under. Write or phone.

THE NATIONAL UNDERWRITER

99 John Street

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Telephone: BEekman 3-3958

SALES DIRECTOR

This advertisement may be the turning point in your life. Read it carefully outloud. If it sounds like it was written especially for you, answer. Otherwise, throw it aside.

We need a man with imagination, personal drive, sales know-how, and a sound knowledge of human relations who can lead and train special and local agents in effectively using the extra-ordinary sales tools of a well established, expanding top-rated, Midwest multiple line mutual company. This is an exceptional opportunity for the man who can fill the bill. He may be in top level position now but more likely is a younger, second man facing a road block. Or he may be stranded in a branch office. He will be under 45, happily married, able to "fit in" with a crowd that's going places. Still willing to learn and grow—and able to recognize an outstanding opportunity when he sees it. Write giving, in confidence, the information you would want if you were hiring an Assistant. You will receive an answer. Address Box P-57, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

TOP MANAGEMENT OPPORTUNITY FOR SPECIAL AGENT —NOT TO SELL INSURANCE

We want man 30-40 with sound insurance background—willing to travel contacting Managers and District Managers of Loss Departments of top automobile insurance companies to sell a national plan which will definitely reduce automobile glass claims.

This is a top job for a man capable of organizing and running own department. Send full details and recent photo to Box P-49, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

Auto Club—with a predominantly Colored membership—desires a Surety Underwriter for a \$200.00 Court Appearance Bond; also a Casualty Company to underwrite a personal automobile accident policy (similar to newspaper accident policies). Prefers group coverage, master policy, and individual certificate arrangements. Has 25,000 to 100,000 membership potential. Can give satisfactory bank and character references.

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America's leading total abstainer auto-insurance company has choice opening for well qualified man to take over entire state of Illinois. Supervise established agency plant and small branch office in Chicago area. Generous base salary plus bonus override. Applicant must be a total abstainer and have experience in the auto insurance field. Send full résumé to: Box P-28, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

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A leading multiple line stock company's expansion program has created two openings—Chicago and the Middle West. If you are ambitious and capable of assuming responsibility you will want to learn more about this opportunity. Attractive benefits plus definite opportunity for advancement. Address in confidence—Box P-55, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

UNDERWRITER

Casualty Insurance Company located in Chicago. Primarily Automobile, but should be familiar with all phases of Casualty Underwriting. Prefer man between 30 and 40 years. Salary commensurate with experience and ability. Address Box P-35, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

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Experienced man: six years experience in fire, casualty, auto, inland marine, fidelity, and A&S. College graduate, some fire protection engineering. Under 30, married. Limited travel. Prefer Western Tennessee or Kentucky/Southern Ohio—other locations seriously considered. Write Box P-47, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.



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Phone HArrison 7-0153 Night: TErrace 4-7840

MICHIGAN



A. H. DINNING COMPANY
ROBERT G. THOMAS, President
INSURANCE ADJUSTERS
Free Press Building
Telephone Woodward 2-0480
Detroit 26, Michigan

MINNESOTA



the OLOFSON CO.
claim adjusters
Serving Minnesota since 1940
Plymouth Bldg. - Minneapolis
24 hour phone - Capitol 4-0068
Branches
112 East Sixth St. - St. Paul
1st Natl. Bank Bldg. - Rochester

NEVADA



R. L. GRESHAM & CO.
Multiple Line Adjusters
312 North 5th St.
Las Vegas, Nev.

Servicing Beatty and Pioche, Nevada - St. George and Cedar City, Utah - Kingman, Arizona - Needles and Baker, California and Intermediate Points.

OHIO



O. R. BALL, INC.
Fire - Inland Marine
Allied Lines
1544 Hanna Building
Cleveland 15, Ohio
Phone SUperior 1-7850
Night Phones: MOntrorse 3-7664
FLorida 1-5095

D. J. SCOTT & SON
302 Home Savings & Loan Bldg.
Youngstown 3, Ohio
Phone RIVERSIDE 6-4661
Night: STerling 26434 and SKYline 83978
FIRE & ALLIED LINES
35 Years Experience 24 Hour Service

THOMAS D. GEMERCHAK
Insurance Adjustments
All Lines
416 Citizens Bldg., Cleveland 14, Ohio
Phones Off. Su. 1-2666 - Res. Fa. 1-9442

R. S. LANDEN ADJUSTMENT CO.
83 So. High Street - Suite 410
Phones: Capital 8-2447
Night: HUDSON 8-6578 - FRANKLIN 28378
Columbus 15, Ohio
ALL LINES

OKLAHOMA

C. R. WACKENHUTH AND SON
C. R. WACKENHUTH R. C. WACKENHUTH
ADJUSTERS FOR THE COMPANIES
ALL LINES
301 Mid-Continent Bldg., Tulsa, Oklahoma
Phones LU 2-5460 GI 7-3850

UTAH-IDAHO

SCOTT WETZEL CO. UTAH-IDAHO
INSURANCE ADJUSTERS

428 So. Main - Salt Lake City, Utah
Tandy & Wood Bldg. - Idaho Falls, Idaho
Sonnenkalb Bldg. - Pocatello, Idaho

WISCONSIN

ROY H. SCHALLER & CO., INC.
Investigators & Adjusters
Milwaukee Office
Bankers Bldg., 208 E. Wisconsin Ave.
Telephone Broadway 1-4048
Chicago Office
460 Ins. Exchange Bldg., 175 W. Jackson Blvd.
Telephone WABash 2-3541-2

Farm Fire Mutual Coverage Up 5%

Farm mutual fire coverage amounted to \$34.1 billion at the end of 1955, an increase of nearly 5% over the \$32.5 billion at the end of 1954, the Department of Agriculture reported in a study on farm insurance.

Fire losses in 1955 totaled \$148 million, bringing the total losses from 1945-55 to \$1.3 billion. The loss rate of farm mutuals in 1955 was 17.2 cents per \$100 of insurance in force, compared with 17 cents the year before. However, safety funds of farm mutuals increased from 54.7 cents per \$100 of insurance to 57.9 cents at the end of last year.

The department also pointed out that about one-third of the farm fire mutuals now offer extended coverage as compared to only one-fifth in 1946.

McCarthy Clarifies Points on Family Auto Policy

(CONTINUED FROM PAGE 15)
by use of an endorsement excluding specified automobiles. This endorsement excludes any automobile acquired as a replacement for the excluded car. The company which originally provided coverage for the replaced automobile automatically picks up the newly-acquired automobile and the company which did not insure the replaced car has no liability as to the newly-acquired vehicle.

The subrogation provision has been amended and should save the owner of an automobile from embarrassment in case he lends it to a friend who damages the car. It was at least theoretically possible for an insurance company under old forms to subrogate against the borrower in such a case, but the family automobile policy defines "insured" as any person or organization using or having custody of the owned automobile with the permission of the named insured. The drive-other-car feature has been amended so that in case the named insured borrows an automobile and damages it, the insurance company may settle the loss either with the named insured or with the owner of the borrowed automobile.

An ambiguity in the 1955 conditions has been clarified to mean the difference in the amount of deductible between collision coverage on the owned automobile and that carried on the borrowed automobile will be paid by the insurance company covering the borrower, should it be lower. Mr. McCarthy said that the reasoning of NAUA was that when an individual purchases insurance, he selects the deductible which he believes he personally can handle. He added that drive other cars coverage applies to towing and road service protection, so that if an insured borrows an automobile and becomes involved in a situation that requires such service, his insurance company will pay up to the limit for that expense. Mr. McCarthy said that the policy now provides drive-other-car coverage for a relative of the insured who lives with him, when he uses a private passenger automobile not furnished for his regular use.

Since printing problems can limit supplies of the policy, companies can use either the new family automobile policy, the old basic policy with an amending endorsement or the old policy with an agreement that it would be interpreted to afford any broader coverage.

Security-Conn. Names Cahill Chicago Head

Security-Connecticut has appointed Joseph H. Cahill Jr. manager of the Chicago service office.

He started with American Auto in 1939 as an adjuster. Following the war he joined National of Hartford and was Illinois casualty supervisor prior to his present appointment.

Youngstown Assn. of Insurance Agents at its September meeting adopted a resolution opposing the use of continuous type automobile policy for direct billing and reduced commissions as unfavorable to the American agency system.

H. W. M. SADLER & CO.

- REINSURANCES
- SURPLUS LINES
- EXCESS COVERS
- OCEAN MARINE

Correspondents of

Lloyd's, London

175 W. Jackson Blvd. Chicago 4
WABash 2-7681 Cable - Sadlerco

INTEGRATING?

Are you coordinating your fire and casualty operations? Brochure available to executives, "How to Profit under Multiple Line Organization" - limited edition.

CONSULTANTS

IN MARKETING AND MANAGEMENT FOR THE INSURANCE BUSINESS
FRANK LANG & ASSOCIATES
ONE NORTH LASALLE ST. CHICAGO 2, ILLINOIS
FRANKLIN 2-2795

A Service Guide A

O'TOOLE ASSOCIATES
Management Consultants
To Insurance Companies
Established 1945
220-02 Hempstead Avenue
Queens Village 29, N. Y.

The LAWRENCE WILSON COMPANY

Managing General Agents
"Unexcelled Insurance Facilities"
SERVICE TO LOCAL AGENTS
AND BROKERS EXCLUSIVELY
First National Bank Building Tulsa 3, Okla.

Fiftieth Anniversary Year FIDELITY APPRAISAL CO.

Established 1905
Milwaukee New York
Chicago Philadelphia
St. Louis Baltimore
Minneapolis Pittsburgh
Detroit Cleveland
Home Office, Milwaukee

TRANS-CANADA ASSURANCE
AGENCIES, INC.
LLOYD'S CORRESPONDENTS
SPECIAL RISKS-SURPLUS LINES
REINSURANCE
1231 Ste. Catherine St., West
Montreal, Canada

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The insignia at right, designed by W. Stanley Pearce of Palo Alto, Cal., won first prize in the National Assn. of Insurance Agents' contest. Purpose of the competition was to come up with an identification that would distinguish the local, independent agent from captive agents.



Commercial Union hospitality at the NAIA: D. W. Florence and T. B. Lee, assistant U. S. managers; J. L. Curtis, Dallas; Mrs. Curtis and H. W. Miller, U. S. manager.



At American Surety Headquarters—C. W. McNeil, agency superintendent; R. E. Brown, vice-president; W. M. Fambrough, Columbus, Ga.; R. D. Holden, Phoenixville, Pa.; S. S. Pond, sales promotion manager.



Home Vice-president W. L. Maxwell at the NAIA convention pictured with Mrs. H. B. Larson, Portland, Ore., and Mr. Larson.



W. C. Jainsen, president Hartford Accident, and R. H. Lange, vice-president Hartford Fire, at company headquarters.



Top: At the Northern of London NAIA suite, F. F. Flechtner and C. F. Steers, secretaries.

Bottom: R. D. Hodson, Chicago, assistant U. S. manager Zurich; N. T. Robertson, New York, agency superintendent Zurich.



Top: Midwest territorial leaders: H. J. Gescheidler, Hammond, Ind., chairman; E. L. Lederer, Chicago; R. M. Byrne, Omaha; G. A. Timm, Kenosha, Wis.

Bottom: At Iowa agents party—Dorr Hudson, Iowa City, president Iowa Assn. of Insurance Agents; Mrs. Hudson; W. F. Grandy, Sioux City, state national director for Iowa; Mrs. C. R. Caldwell, Iowa City; Mr. Caldwell, treasurer Iowa Assn. of Insurance Agents.



At Kansas association party for national officers: Kenneth Ross, Arkansas City, Kan., outgoing NAIA president, Mrs. Ross; Mrs. D. E. Matthews, Ashland, Kan.; Mr. Matthews, president Kansas Assn. of Insurance Agents.

NAIA Winds Up 60th Annual Convention

(CONTINUED FROM PAGE 25)

dent, has been a member of the executive committee since 1952. He has been in the business since 1939 and has served as secretary of Wilmington Insurance Exchange since 1940. He was president of the North Carolina association in 1950. In 1951 he was awarded the Coghill trophy by that association for distinguished service. In 1952 he was elected state national director from North Carolina, a position he has occupied to the present. He was chairman of Southern Agents Conference in 1951 and served during the same year as a member of the NAIA finance committee. He was awarded a presidential citation at the NAIA convention in 1952.

The Woodworth memorial went to Robert Maxwell of Texarkana, past president and state national director of the Texarkana association, and former executive committeeman of NAIA, for his work as chairman of the practices committee, which, named in 1950, studied the operations and procedures of NAIA. That committee's accomplishments shaped much of NAIA's history in succeeding years.

Charles H. Frankenbach of Westfield N. J., chairman of the Bowen public relations award committee, pointed out to the convention that many states in addition to Colorado undertook fine programs. There were, he said, not enough states participating and said he believed there were many states that carried on programs during the past year which could have supplied an entry. Competition for this award provides for the opportunity for exchanging ideas. Material inaugurated in one state is used by others. He commended the New Hampshire association for its continuing, excellent PR campaign. Hawaii also had an interesting exhibit, again indicating continuity in PR work.

New York state entered an exhibit indicating a growing program of PR work through a speakers' bureau composed of 125 speakers, about 60% of whom are agents. Progress also is being made in publicity releases to the trade press and local newspapers.

He commended Connecticut association for its continuation of the program of selling the local agent, "You Are A Neighbor, Not A Number" and its advertising urging purchase of automobile PHD through the local agent instead of through the automobile dealer. Honorable mention went to New Jersey for its endeavor to place before the public the story of the local agent and the insurance business generally through the generous release of

all types of material to the trade and local press. The program is particularly impressive because of the participation of seven local boards. New Jersey being organized on a county basis, this means a wide use of PR material.

The Colorado campaign was conducted in daily and weekly newspapers covering the entire state. The ads were not so much designed to sell insurance, as to sell the advantages of dealing with an "insuror" operating under the agency system, an attempt to establish that there is a difference when a member of the public purchases insurance and that he should look for and expect this difference when he purchases through a local agent. This state has a five year program, indicating that they realize that this job is one that cannot be done overnight nor on a piecemeal basis. The exhibit indicated that past efforts are starting to produce results. The association also has established friendly relations with other trade and professional groups who have evidenced an interest in insurance or evidenced an interest in possibly making a change and by their contacts, in many instances, have kept the business for the local agency system.

The resolutions committee named to act until the next meeting consists of C. G. Waldo of Detroit, William F. Grandy of Sioux City and Hayne P. Glover Jr. of Greenville, S. C.

Albert E. Mezey of New York was general convention chairman and introduced Mayor Wagner of New York City, who spoke at the opening session.

The arrangement of the hotel proved somewhat confusing and, being a block square, definitely tiring, on those moving from one meeting to another, or from one headquarters on to more.

The exhibitors were rather disheartened. They were located somewhere beyond the ballroom and being out of the flow of traffic attracted relatively few spectators. Exhibitors included National Board, Marshall & Stevens, American Foreign Insurance Association, and Sanborn Map Co.

The convention had its share of TV attention. Hilda Tucker, agent of Durham, N. C., James R. Mathews of NAIA headquarters, Gene Woodbury, son of Louie Woodbury, and Jeff Grandy, son of W. R. Grandy of Sioux City, appeared on the Will Rogers Jr. morning show over CBS one morning, and members of the executive committee were on the same show another morning.

The state secretaries at their meeting adopted a memorial resolution for the late George Blomgren of the Minnesota association.

Radio, TV and newspapers are all good advertising media for the insurance agent, NAIA members were told during the advertising session of their convention last week. The facts of these media were presented by Jerry Davidson, American Newspaper Publishers Assn.; Sherrill Taylor, vice-president Radio Bureau of Advertising, and Halsley Barrett, sales director TV Bureau of Advertising.

Mr. Taylor cited the flexibility and low cost of radio and its selectivity.

Mr. Davidson emphasized the difference between company advertising in a national magazine and agent or agent-company tie-in ads in local

Late News Bulletins . . .

(CONTINUED FROM PAGE 1)

Southern General To Offer Stock

Southern General has filed a statement with Securities & Exchange Commission seeking registration of 95,714 shares of \$5 par common stock. It proposes to offer 50,000 shares for public sale at \$14.50. Of the remainder, 20,714 are being offered stockholders of Progressive Fire in exchange for the 10,357 Progressive shares of \$10 par not already owned by Southern General, and 25,000 shares would be offered at \$13 to others, including Vincent Astor and John Hay Whitney.

Proceeds from 75,000 shares would be used to pay an \$850,000 balance on a bank loan and for general purposes. Southern General used the bank loan of \$1 million to purchase 39,673 shares of Progressive or 79.2% of its outstanding common.

Seek N. C. Malpractice Liability Rate Hike

Commissioner Gold is holding a hearing on a filing this week by National Bureau of Casualty Underwriters proposing a 16.2% increase in malpractice liability rates for surgeons. The filing would continue the malpractice premium for physicians at the current rate of \$45 but would raise the premium for surgeons from \$68 to \$79. Medical Society of North Carolina is not directly opposing the filing.

To Vote on Birmingham Fire Change of Name

Stockholders will vote Dec. 13 on a proposed amendment to change the name of Birmingham Fire of Alabama

to Birmingham Fire & Casualty. The company's present operations include not only fire insurance but various lines of casualty. If approved by the stockholders, the new name would become effective Dec. 31.



At Kansas association party—M. J. Hartson, New Orleans, NAIA executive committeeman; Mrs. D. R. McKown, Oklahoma City; Mrs. Hartson; Mr. McKown, NAIA executive committeeman.

newspapers. The best of the large national magazines reaches not more than 15% of the population in the best counties in the nation, from this point of view. Newspapers reach 90% of the families of a community day in and day out.

Non-agency and direct writer competition is where it is today, to some extent, through consistent local newspaper advertising, Mr. Davidson said. They have been telling everybody, through their ads, how they can beat the agency system's price while agents have been talking to the few families they could see.

Newspaper advertising can be very selective. Otherwise, Mr. Davidson

asked why would the manufacturers of ultra-luxurious automobiles use this medium? Has newspaper readership dropped off with the increased concentration on TV? An authoritative study shows daily papers are the only organs of communication which have not suffered.

Mr. Barrett's talk on TV was reported last week.

The successful joint advertising campaign of the Essex County, (N.J.), Assn. of Insurance Agents was described and illustrated by S. A. DeRoner. F. W. Westervelt Jr., public relations manager National Board, announced the details of National Board's forthcoming magazine ads.



At the North America suite: J. M. Crawford, vice-president; J. E. Schachte Jr., Charleston, S. C.



At Hartford's luncheon headquarters: J. F. Schweer, secretary Cincinnati Underwriters Assn.; C. A. Young, Syracuse; David Wilson, Newark, and R. B. Devore, secretary Hartford Accident.

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Extra Value
makes the
difference
in insurance

Insurance tailored to a Tunnel

The Third Lincoln Tube is The Port of New York Authority's miracle of engineering—and triumph of safety. Sandhogs, working in compressed air, slogged a path through a hazardous mile of silt—safer under the accident prevention program maintained by The Port Authority with the co-operation of contractors, unions and Indemnity Insurance Company of North America. Safety was made a 'living' program, preventive medicine applied, and a completely equipped

medical clinic set up at the site. Indemnity used a special retrospective rating plan which proved a unique way to provide insurance at a saving—again demonstrating flexibility and progressive underwriting policy in meeting unusual challenges in the casualty field. This is how 'extra value' through our producers made insurance different—told in our latest advertisement. Your policyholders, large and small, can get the same value through North America.

Read the full story of the New York Port Authority Tunnel in the September issue of 'The North America Fieldman'



Protect what you have®

NORTH AMERICA
COMPANIES

Insurance Company of North America
Indemnity Insurance Company of North America
Philadelphia Fire and Marine Insurance Company
Philadelphia

LOYALTY GROUP

FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 5,406,999.79	Reserve for Losses	\$ 18,710,827.16
Mortgage Loans on Real Estate	946,030.04	Reserve for Loss Expenses	1,621,400.00
Bonds and Stocks	162,401,031.61	Reserve for Unearned Premiums	52,622,853.30
Interest due and accrued	236,182.94	Reserve for Taxes and Expenses	3,290,258.00
Agents and Departmental Balances	3,803,131.44	Funds held under Reinsurance Treaties	5,845,871.38
Real Estate	3,086,000.00	All other Liabilities	1,261,182.18
Equity in Marine and Foreign Insurance Pools	9,721,363.59	Capital	15,000,000.00
All other Assets	1,365,827.61	Net Surplus	88,614,175.00
Total admitted Assets	\$186,966,567.02	Total	\$186,966,567.02

SURPLUS TO POLICYHOLDERS \$103,614,175.00

Securities carried at \$3,808,805.91 in the above statement are deposited as required by law.

GIRARD INSURANCE COMPANY OF PHILADELPHIA, PA.

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 534,201.96	Reserve for Losses	\$ 1,954,862.54
Mortgage Loans on Real Estate	1,283.32	Reserve for Loss Expenses	169,400.00
Bonds and Stocks	14,240,435.20	Reserve for Unearned Premiums	5,864,044.20
Interest due and accrued	46,379.76	Reserve for Taxes and Expenses	382,318.00
Agents and Departmental Balances	178,165.49	All other Liabilities	17,574.18
Real Estate	150,000.00	Capital	1,000,000.00
All other Assets	262,765.55	Net Surplus	6,025,032.36
Total admitted assets	\$15,413,231.28	Total	\$15,413,231.28

SURPLUS TO POLICYHOLDERS \$7,025,032.36

Securities carried at \$795,543.41 in the above statement are deposited as required by law.

NATIONAL-BEN FRANKLIN INSURANCE COMPANY OF PITTSBURGH, PA.

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 851,570.55	Reserve for Losses	\$ 1,954,862.54
Bonds and Stocks	13,320,277.37	Reserve for Loss Expenses	169,400.00
Interest due and accrued	37,914.18	Reserve for Unearned Premiums	5,497,910.04
Agents and Departmental Balances	1,749,124.28	Reserve for Taxes and Expenses	387,418.00
Real Estate	66,000.00	All other Liabilities	17,574.18
All other Assets	132,584.55	Capital	2,000,000.00
Total admitted Assets	\$16,157,470.93	Net Surplus	6,130,306.17
		Total	\$16,157,470.93

SURPLUS TO POLICYHOLDERS \$8,130,306.17

Securities carried at \$1,956,902.96 in the above statement are deposited as required by law.

MILWAUKEE INSURANCE COMPANY OF MILWAUKEE, WIS.

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 1,089,155.22	Reserve for Losses	\$ 5,306,055.46
Mortgage Loans on Real Estate	332,501.95	Reserve for Loss Expenses	459,800.00
Bonds and Stocks	38,550,037.75	Reserve for Unearned Premiums	14,922,898.69
Interest due and accrued	99,954.84	Reserve for Taxes and Expenses	1,252,806.00
Agents and Departmental Balances	2,885,992.37	All other Liabilities	39,161.50
All other Assets	410,264.17	Capital	3,000,000.00
Total admitted Assets	\$43,367,906.30	Net Surplus	18,367,184.65
		Total	\$43,367,906.30

SURPLUS TO POLICYHOLDERS \$21,367,184.65

Securities carried at \$2,955,430.82 in the above statement are deposited as required by law.

ROYAL GENERAL INSURANCE COMPANY OF CANADA

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 39,031.74	Reserve for Taxes and Expenses	\$ 3,980.86
Bonds and Stocks	404,536.14	Capital	100,000.00
Interest Due and Accrued	2,945.21	Net Surplus	353,917.08
Agents and Departmental Balances	11,384.85		
Total admitted Assets	\$457,897.94	Total	\$457,897.94

SURPLUS TO POLICYHOLDERS \$453,917.08

Securities carried at \$55,720.22 in the above statement are deposited as required by law.

THE METROPOLITAN CASUALTY INSURANCE COMPANY OF NEW YORK

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 2,050,054.59	Reserve for Losses	\$19,529,061.00
Mortgage Loans on Real Estate	13,788.26	Reserve for Unearned Premiums	13,846,779.68
Bonds and Stocks	48,966,786.82	Reserve for Loss Expenses	2,247,095.00
Interest due and accrued	167,466.15	Reserve for Taxes and Expenses	1,647,113.89
Agents and Departmental Balances	3,509,949.53	Funds held under Reinsurance Treaties	197,366.55
Equity in Marine and Foreign Insurance Pools	150,789.49	All other Liabilities	167,463.00
All other Assets	231,563.29	Capital	3,000,000.00
Total admitted Assets	\$55,090,398.13	Net Surplus	14,455,519.01
		Total	\$55,090,398.13

SURPLUS TO POLICYHOLDERS \$17,455,519.01

Securities carried at \$4,426,379.84 in the above statement are deposited as required by law.

COMMERCIAL INSURANCE COMPANY OF NEWARK, N. J.

DECEMBER 31, 1955

ASSETS		LIABILITIES	
Cash	\$ 1,902,307.91	Reserve for Losses	\$24,001,921.00
Mortgage Loans on Real Estate	432,972.54	Reserve for Loss Expenses	2,664,267.00
Bonds and Stocks	58,149,018.36	Reserve for Unearned Premiums	16,372,985.52
Interest due and accrued	175,081.72	Reserve for Taxes and Expenses	1,656,825.00
Agents and Departmental Balances	3,718,871.79	Funds held under reinsurance Treaties	663,218.89
Equity in Marine and Foreign Insurance Pools	156,973.17	All other Liabilities	119,854.37
All other Assets	276,839.35	Capital	3,000,000.00
Total admitted Assets	\$64,812,064.84	Net Surplus	16,332,993.06
		Total	\$64,812,064.84

SURPLUS TO POLICYHOLDERS \$19,332,993.06

Securities carried at \$1,691,171.13 in the above statement are deposited as required by law.

*Valuations on basis prescribed by National Association of Insurance Commissioners

HOME OFFICE

10 PARK PLACE, NEWARK 1, NEW JERSEY

Foreign Department

102 Maiden Lane, New York 5, New York
206 Sansome St., San Francisco 4, Calif.

Western Department

120 So. LaSalle St., Chicago 3, Illinois

Southwestern Department

912 Commerce St., Dallas 22, Texas

Pacific Department

220 Bush St., San Francisco 6, Calif.

Canadian Departments

800 Bay St., Toronto 2, Ontario
535 Homer St., Vancouver 3, B. C.